79TH ANNUAL REPORT

OF THE

INTERSTATE COMMERCE COMMISSION

FISCAL YEAR ENDED JUNE 30, 1965

U.S. GOVERNMENT PRINTING OFFICE
WASHINGTON : 1965

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INTERSTATE COMMERCE COMMISSION

CHARLES A. WEBB, *Chairman*
JOHN W. BUSH, *Vice Chairman*
HOWARD G. FREAS
KENNETH H. TUGGLE
RUPERT L. MURPHY
LAURENCE K. WALRATH
ABE McGREGOR GOFF
WILLIAM H. TUCKER
PAUL J. TIERNEY
VIRGINIA MAE BROWN
WILLARD DEASON

H. NEIL GARSON, *Secretary*

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OIL PIPELINES

Interstate Commerce Commissioners (left to right, seated) Tuggle, Bush (Vice Chairman), Webb (Chairman), Freas, Murphy. (Standing) Brown, Tucker, Walrath, Goff, Tierney, Deason.

REPORT OF THE

INTERSTATE COMMERCE COMMISSION

WASHINGTON, D.C., *December 31, 1965.*

To the Senate and House of Representatives:

The Interstate Commerce Commission submits herewith its 79th Annual Report to the Congress. A statement of appropriations and aggregate expenditures for the 1965 fiscal year ended June 30, 1965, is contained in appendix F.

With important exceptions, the other material in the report also deals with the 12-month period ended June 30, 1965. The exceptions mainly are some references to actions by the 1st session of the 89th Congress. Various formal proceedings also are discussed beyond the end of fiscal 1965, in situations where subsequent developments may have significantly altered narration of earlier occurrences.

THE COMMISSION

Commissioner Charles A. Webb was elected by the members of the Interstate Commerce Commission to serve as Chairman for calendar year 1965, succeeding former Chairman Abe McGregor Goff. Commissioner John W. Bush was elected Vice Chairman. Commissioner Willard Deason was appointed to the Commission in September 1965, succeeding Commissioner Everett Hutchinson who resigned March 31, 1965. The 11 members of the Commission serve 7-year staggered terms. Their States of legal residence are as follows:

Howard G. Freas	California
Kenneth H. Tuggle	Kentucky
Rupert L. Murphy	Georgia
Laurence K. Walrath	Florida
Abe McGregor Goff	Idaho
Charles A. Webb	Virginia
John W. Bush	Ohio
William H. Tucker	Massachusetts
Paul J. Tierney	Maryland
Virginia Mae Brown	West Virginia
Willard Deason	Texas

Other data, including the Commission's organization, appear in appendix A.

INTRODUCTION

A BRIEF WORD ABOUT THIS REPORT

Just 5 years ago, a comprehensive and searching analysis of national transportation policy was submitted to the Senate Commerce Committee. The question which dominated that analysis—the so-called Doyle report—was this:

Is the United States headed for another major transportation crisis?

At the time, good cause seemed to exist for projecting an affirmative answer to this painful question. As the Doyle report itself pointed out, although "there is today no general crisis in the domestic transportation system of the United States," nonetheless "there are trends causing concern for the future overall adequacy and efficiency of our transportation system and for the health if not the very existence of common carriers."

The intervening half decade thus has been of decisive historical significance to our national transportation system, particularly that portion of it regulated by Government. This brief period in regulated transportation's 80 years of activity has provided valuable indicators of the system's health, rate of development, and state of readiness to meet America's commercial, defense, and social needs of the future.

Happily, the indicators have been heartening. In our 78th Annual Report, submitted 1 year ago, we observed that the 1960's appeared to be truly a time of impressive growth, steadily improved health, and exciting potential for our national transportation system. The further gains made by our transportation system during the ensuing year have served to strengthen and confirm our conviction that for America's regulated carriers and their users, this is an era bright with challenge and promise.

Directly related to transportation's rising level of performance and potential, we think, is a heightened concern with the dynamics of the country's surface carrier system. Industry, its users, and Government all are experiencing a growing awareness that old and deeply ingrained concepts of service and operation may be inappropiate or inadequate to meet the Nation's present and foreseeable demands on its transportation plant. Throughout this report are found examples of new or revised attitudes toward nearly every facet of transportation, includ-

ing pricing, accounting, safety, passenger service, volume movement of freight, and intermodal coordination.

"Laws and institutions," said Thomas Jefferson, "must go hand in hand with the progress of the human mind," and "with the change of circumstances, institutions must advance also to keep pace with the times." Thus, progress and change in transportation have resulted in both leadership and response from the regulatory apparatus charged with protecting the public's interest in the operation of our surface transportation system. Our continuing evaluation and restructuring of the Commission's organization, as well as our other efforts to increase the efficiency and economy of Commission activities, attest to the truth of Jefferson's words.

In a small way, the format of this 79th Annual Report of the Commission also represents a response to changed circumstances. As our headquarters reorganization program of 1965 has patterned the Commission's staff structure more closely to our regulatory responsibilities, so does the format of this report more accurately reflect and delineate broad areas of current Commission concerns and policy considerations. We hope that this will increase the document's usefulness to its readers.

ORGANIZATION, ADMINISTRATION, AND PROCEDURES

The Commission's overriding administrative concern during fiscal 1965 has been to step up its efficiency and productivity and, at the same time, achieve new economies of operation and reductions of cost. Our continuing efforts toward fuller attainment of these goals are reflected in many developments covered by this chapter.

Highlights

The latest step in the Commission's continuing program to rationalize its structure and operations was completed during 1965. In it, our headquarters Bureaus and Offices were realined along functional lines promising improved efficiency and economy for Commission activities. Earlier actions in the same direction have included our restructuring of Commission-level work processes, carried out in 1961, and extensive changes in our field organization, accomplished in 1962 and 1963. Further steps in the program are currently under study.

On July 27, 1965, the President's Reorganization Plan No. 3 of 1965 became effective, thereby realining the Commission's locomotive inspection activities. The plan enables us to increase our railroad safety efforts by 15 percent, without any increase in funds or personnel committed to those efforts.

Despite a substantial increase in formal case receipts during the fiscal year the Commission was able, during the same period, to attain a new high level of productivity in the case area and a resulting decrease in the total pending workload. We are continuing to bear down upon the caseload problem through programs aimed at expediting the disposition of our formal proceedings.

Automatic data processing (ADP) technology is serving as a growingly important Commission tool in activities ranging from internal administrative operations to carrier cost analyses. Through a program sponsored by the Bureau of the Budget, we actively participated in pioneer studies aimed at introducing ADP techniques into the decisionmaking processes of the regulatory sphere of Government.

Our "war on paper" has been stepped up with initiation of a forms control program designed to eliminate unnecessary carrier filings with the Commission. Substantial reductions of such filings already have been achieved, and more are contemplated.

Interagency cooperation has enabled us to work closely with the Civil Aeronautics Board and the Federal Maritime Commission toward solution of common problems in the areas of records preservation and carrier accounts systems, and with the Post Office Department on railway mail carriage cost questions. We also are cooperating with the Department of Commerce in its transportation research programs and the "Northeast Corridor" project, and with the President's Committee on Consumer Interests in its efforts to more fully coordinate Federal activities on behalf of consumers.

HEADQUARTERS REORGANIZATION

The Commission approved an extensive realinement of its headquarters Bureaus and Offices which will result in greater efficiency and economy. The plan of reorganization will be fully operational by the end of 1965.

The most important feature of the reorganization plan was the consolidation of the three formal proceedings Bureaus (Operating Rights, Rates and Practices, and Finance) into a single Office of Proceedings, headed by a Director of Proceedings who will report directly to the Chairman. In addition, other Bureaus and Offices were reorganized along more functional lines. As a result, the total number of Commission Bureaus was reduced from 10 to 6. Unnecessary supervisory positions were eliminated.

This realinement of headquarters Bureaus and Offices was actually the third phase of a continuing Commission program to modernize and to streamline its organization and procedures. In 1961, the Commission reorganized its work at the Commission level. In 1962 and 1963, the Commission made extensive changes in its field organization. Review and realinement of Commission headquarters Bureaus and Offices was a logical and necessary third step.

Our most recent reorganization action does not mean that no further organizational and procedural changes are contemplated. We recognize, in view of our increasing workload, that the Commission's organization and procedures must be the subject of continuing study.

Office of Proceedings

As indicated on the organizational chart (app. A, p. 96), the three proceedings Bureaus were combined into an Office of Proceedings in

charge of a Director who is assisted by three Deputy Directors and a Chief Hearing Examiner.

The Director is directly responsible to the Chairman respecting such matters as the distribution of work among hearing examiners and attorney advisers and the initiation of ways and means to correct or prevent avoidable delays in the disposition of proceedings cases. Under the three-bureau arrangement, effective exercise of the Chairman's authority was hampered by the fragmentation of corresponding authority at the bureau level.

Each Deputy Director is in charge of a section whose area of responsibility corresponds to that of one of the three Divisions of the Commission. The Deputy Directors, and the Director as necessary, are responsible to Division Chairmen for the handling of particular cases and other matters assigned to the respective Divisions by the Commission's Organization Minutes.

All of the Commission's hearing examiners are located in a single administrative unit headed by a Chief Hearing Examiner and two Assistant Chief Hearing Examiners. Since the hearing examiner corps is no longer assigned to specialty sections, the more versatile examiners can be given a wider variety of cases, more efficient itineraries can be arranged, and, in general, optimum utilization of our highly qualified examiners can be achieved.

For both hearing examiners and attorney advisers, some specialization by types of proceedings will continue to be necessary and desirable. However, a more flexible and broader use of legal personnel has already been achieved. Consideration will be given to the elimination of all specialty units after the results of increased on-the-job cross-training can be properly evaluated.

All employee boards in the proceedings area were assigned to the Office of the Director solely for administrative supervision and support. This action is designed to insure that the members of these important boards will continue to exercise independent judgment on the matters delegated to them for decision.

Office of the Managing Director

All data-processing activities were centralized in the Managing Director's Office. This action involved the transfer to that Office of the Data Processing Section of the Bureau of Transport Economics and Statistics and the mechanical processing functions of the Statistics Branch of the Section of Motor Carrier Safety of the Bureau of Motor Carriers.

The functions of the Section of Systems Development in the Office of the Managing Director are being further developed to provide for programs assuring compliance with Federal laws and regulations governing the establishment of effective controls in the areas of paperwork and records management. This includes the review of new and revised forms (including public reporting forms) from the standpoint of techniques, methods and design prior to their submission to a Commission Division for approval.

Office of the Secretary

No change was made in the present organization or functions of this office.

Office of the General Counsel

In recognition of its two major functions, the Commission established in the Office of the General Counsel a Section of Litigation and a Section of Research and Opinions.

Bureau of Traffic

The organization and functions of the Bureau of Traffic were not changed.

Bureau of Economics

Under the reorganization, the Bureau of Economics performs all the professional level research and economic and statistical analysis functions of the former Bureau of Transport Economics and Statistics. Functions relating to data processing, railroad accident reports, and various other carrier reports were transferred to other Bureaus or Offices, thus enabling the professional staff of the Bureau of Economics to devote its entire effort to transportation research activities of major import.

Bureau of Accounts

Functions of the present Bureau of Accounts were expanded to include the report functions, other than railroad accident reports, formerly exercised by the Bureau of Transport Economics and Statistics. Otherwise, the organization and functions of the Bureau of Accounts were continued without substantial change.

Bureau of Enforcement

This Bureau was made responsible for all the functions of the former Bureau of Inquiry and Compliance, plus the legal functions relating to enforcement previously assigned to the Bureau of Safety and Service.

Bureau of Operations and Compliance

The staffs and functions of the Bureau of Motor Carriers and the Bureau of Water Carriers and Freight Forwarders were consolidated into a Bureau of Operations and Compliance. This Bureau now embraces all operations, compliance and investigation activities with the exception of those functions assigned to the Bureau of Railroad Safety and Service, as reconstituted, and the Bureau of Enforcement. The new Bureau is responsible for all the functions of the former Bureau of Motor Carriers, except for the statistical processing functions transferred to the Office of the Managing Director; the former Bureau of Water Carriers and Freight Forwarders; and the explosives and other dangerous articles functions which were transferred from the former Bureau of Safety and Service and raised to a Section status. Safety and Service Board No. 2 was renamed the Explosives and Other Dangerous Articles Board and transferred to the new Bureau.

Although the Bureau of Water Carriers and Freight Forwarders was abolished, this action did not indicate any reduced concern for the problems of water carriers and freight forwarders. On the contrary, the personnel and facilities available to a larger Bureau should enable water carriers and freight forwarders to receive better service at both the headquarters and field levels. Under the new organization the Bureau of Water Carriers and Freight Forwarders field functions staff were integrated with the Bureau of Motor Carriers activities. The former Bureau of Motor Carriers district director positions were recast to include direction over Water Carrier and Freight Forwarder field staff and additional functions that may be assigned. These positions were retitled, "Regional Director of Operations and Compliance."

Bureau of Railroad Safety and Service

The remainder of the Bureau of Safety and Service, following transfer of the Explosives and Dangerous Articles Branch and the legal enforcement functions, was continued as a separate Bureau and retitled "Bureau of Railroad Safety and Service." The railroad accident reports functions, other than data processing, were transferred from the former Bureau of Transport Economics and Statistics to the new Bureau.

Office of the Chairman and Vice Chairman

Although not a matter of headquarters bureau realinement, the Commission acted formally to strengthen the Office of the Chairman and to increase the responsibilities of the Vice Chairman. These

changes reflected existing practice. First, the Managing Director now reports directly to the Chairman rather than through the Vice Chairman, as previously provided in item 9.1 of the Commission's Organization Minutes. Secondly, the Commission voted to add the following new paragraph (n) to item 6.3 of the Organization Minutes relating to the duties of the Vice Chairman: "Such other duties as may be delegated by the Chairman."

REORGANIZATION OF LOCOMOTIVE INSPECTION ACTIVITIES

On May 27, 1965, the President transmitted to the Congress his Reorganization Plan No. 3 of 1965, and it became effective on July 27, 1965, since neither House of the Congress acted to disapprove it.

Substantive duties and functions under the Locomotive Inspection Act were not changed by the reorganization plan. As a result of the legislation, the Commission expects to perform 15 percent more railroad safety work without any increase in funds or personnel. (See also Legislative Activities chapter.)

EXPEDITION OF CASES

Faced with constantly increasing flow of matters requiring Commission decision, we have undertaken a comprehensive reevaluation of our case processing procedures. This program aims at streamlining methods and procedures so that all available staff is utilized as effectively and efficiently as possible. Although some new procedures resulting from this program have been in effect only a short time, while others are now taking effect, measurable progress already has been achieved.

During fiscal 1965, the Commission received a total of 9,575 formal cases, an increase of more than 1,000 cases above the previous year. Helped by our new procedures, we disposed of 9,939 formal cases during the same period—the highest number of cases disposed of by us in any single fiscal year. We thus were not only able to stay abreast of our heavy case receipts, but also to achieve a substantial reduction in the pending workload. Earlier years' improvements, including delegations of additional authority to employee boards, also contributed to this accomplishment.

In our recent efforts to improve Commission productivity, we have:

- Imposed strict monitoring on the status of proceedings. Our pending workload and average age and median age of the docket are analyzed monthly. These monthly progress analysis reports have been made public since January 1965.

- Encouraged increased handling of formal proceedings without oral hearings. About one-third of applications for operating authorities are now ruled upon without oral hearings, compared to 12 percent before January 1, 1964, when new special rules of practice took effect, to provide notice of an intent to hold no hearings unless specific protests are made and a hearing is deemed necessary.
- Limited, effective June 1, 1965, the time for filing of briefs by all parties and interveners, to 45 days from the close of an oral hearing, without special authorization. Further replies to briefs no longer are permitted.

PROCEDURE, PRACTICE

Under a procedure which became effective July 1, 1965, notice of section 210a(a) filings of temporary operating authority applications is made by the Office of the Commission's Secretary in Washington, D.C., by publication in the Federal Register, and protests must be submitted to the Commission's district supervisor identified in the Federal Register within 15 days thereafter. This assures that complete notice of such applications is provided the public. It also relieves the Commission's field personnel of their former duty of preparing sumaries of requested authorities and transmitting them to competing carriers who might wish to protest.

During the year, we established firmer educational standards for nonlawyers desiring to practice before the Commission. Four years of college are now required of such applicants, including 2 years which are creditable toward a bachelor's degree at a recognized college as an absolute minimum. Technical education, training, or experience may be substituted for the remaining 2 years of college. Examinations for such applicants are conducted semiannually at Commission field offices in selected cities. An employee board on education and practice has been established to assist in preparing, grading, and processing nonlawyer practitioner examinations. Following the examinations the questions are made public to assist prospective applicants and educational organizations preparing nonlawyers to practice before the Commission.

An Accounting and Valuation Board was created during the year with authority to permit the use by carriers of accounts requiring special permission, authorized departures from accounting rules, prescribe depreciation rates, issue special authorizations for the destruction of records, and issue valuation reports. One result of this move has been to lighten the heavy workload of the Vice Chairman. This brought to 22 the number of employee boards established by the Commission.

AUTOMATIC DATA PROCESSING

During the year, computer programs discussed in the 78th and earlier annual reports have been used extensively to assist in the calculation of cost studies. These studies include 10 rail studies and 5 motor carrier studies which are used widely in connection with the ratemaking process. Data were also processed by computer for each of the latest motor carrier cost studies to keep cost reference data on a current level. In addition, individual motor carrier costs were developed by computer in order to check the cost data introduced in approximately 30 rate cases decided by the Commission during the year. A substantial amount of time formerly expended by clerical personnel on the manual processing of such data thus has been free for other work. In addition, the number of cost studies conducted each year has increased, resulting in more current motor carrier cost studies due to the lessened time period between the study years.

Much clerical manpower is now required to audit, analyze, and clarify incoming carrier financial reports. In order to reduce the cost of this process, the Commission is currently developing a system for converting incoming financial reports to computer processable data enabling the performance of audit, storage, and analysis activities by computer.

A completely revised automated payroll system was installed by the Commission during the past year, resulting in a more accurate, flexible, and efficient payroll system. A study of an automated time and attendance reporting system was also initiated.

A year-long study has been underway at the Commission since October 1964, to determine and demonstrate the feasibility of using operations research, management sciences, and automatic data processing technology to help regulatory agencies maintain high quality decisions and reduce backlogs of pending cases. It is being conducted by Pennsylvania Research Associates, Inc., of Philadelphia, and financed by the Bureau of the Budget, from the appropriation to the President for "Expenses of Management Improvement," at a maximum cost of $130,000. The study will explore the potential of ADP techniques in more comprehensive analyses of testimony and data in individual cases. Its aim is to relieve the decisionmaker of detailed work, thus providing him more time and information for analysis and judgment. For the study's initial phase, rate proceedings were selected as representative of ICC decisional work. Results of the study are being made available to other regulatory agencies of the Government following its scheduled completion in October 1965.

RECORDS MANAGEMENT, PAPERWORK REDUCTION

The Commission's program of reviewing carrier reporting requirements has succeeded in eliminating 32,500 reports during this fiscal year. Since the program began in 1959, it has relieved carriers of filing approximately 485,500 reports, and has eliminated 22,800 pages of data from reports still required. These reductions have enabled us to discontinue 111 publications, and also to cease printing bound volumes of annual and separate series of supplemental valuation reports for oil pipelines.

A major step taken during fiscal 1965 to reduce carrier reporting burdens was our upward revision, from $3 to $5 million, of the annual minimum operating revenue for class I railroads. By reclassifying some railroads as class II carriers for reporting purposes, the revision has eliminated 1,400, or 20 percent, of all quarterly and monthly financial and operating reports required each year of the railroad industry. Changes in our rules governing applications to issue securities and in our report requirements for pipeline valuation and changes in motor carrier hours-of-service rules also have reduced the number of reports filed with us.

INTERAGENCY COOPERATION

Following a joint study, the Civil Aeronautics Board and this Commission issued uniform regulations for the preservation of records by freight forwarders engaged in air and domestic surface transportation. We now are working with the CAB on a comprehensive revision of the uniform system of accounts for these forwarders. Our common goal is to standardize these accounting requirements, thus enabling freight forwarders regulated by both agencies to reduce their accounting costs. At the same time, the Federal Maritime Commission and this Commission have developed a plan for joint audits of water carriers subject to the jurisdictions of both agencies. This pilot project is expected to result in a permanent arrangement under which either agency will accept an audit report prepared by the other. Annual report forms prepared by the Commission are also used by the Federal Maritime Commission and the Maritime Administration.

We are participating with other transport regulatory agencies in the work of an interagency committee of accountants exploring accounting policy problems of mutual concern. Our cost accountants have consulted frequently with the staff of the Civil Aeronautics Board and the Federal Maritime Commission in an effort to resolve common transportation cost problems and will continue to do so. In addition, the Commission has worked closely with the Post Office

Department on problems involving the cost of railway mail transportation.

The Director of the Commission's Bureau of Economics acts as our Consumer Liaison Officer and our representative on the Subcommittee on Consumer Information of the President's Committee on Consumer Interests. Since a considerable part of our work is concerned with the protection of the shipping public, we are interested in maintaining and improving coordination of Federal information on consumer services. Numerous complaints referred to us by the President's Special Assistant for Consumer Affairs, usually in connection with the movement of household goods, were handled satisfactorily by our Bureau of Operations and Compliance.

MOBILIZATION PLANNING FOR DEFENSE

The Commission assisted in developing the transportation chapter of the "National Plan for Emergency Preparedness" published by the Office of Emergency Planning (OEP). We provided emergency operations guidance to inland towing, barge, and steamship companies through publication of the booklet, "Inland Water Emergency Transport Planning." Additional guidance was set out in our Transport Mobilization Order ICC–TM–13, governing emergency use of inland water carrier bulk vessels; our procedural order ICC–TM–11–PO–1 covering the use of permits for rail shipments moving to port areas under emergency conditions, and revised order ICC–TM–6 covering emergency disposition of rail tank cars.

In order to develop State-level capability for direction of Federal functions when required by circumstances of an immediate postattack period, State plans conforming with and directly related to the "National Plan" are being promulgated through the OEP's Comprehensive Program for Continuity of Government and Management of Resources. Our field staff has provided support for this effort at regional and State levels by participating as advisers in the drafting of State emergency plans.

Continued recruitment and appointment of members has further strengthened the Commission's unit of the National Defense Executive Reserve (see app. G). The railroad group has been expanded at the regional level and members of the NDER have been assigned at additional terminal areas. Additional reservists have been recruited and assigned to support ICC members on the Emergency Motor Transport Boards. Our field staff has worked closely with ICC regional and State level reservists in developing and maintaining the emergency standby organization. Regional managers and technical program

directors represent the agency at regional interagency conferences and committees to apprise other civilian agencies, executive reservists, the military, and State and local officials of the ICC's emergency preparedness programs. At headquarters, the Commission provides representation to interagency study groups, boards, and committees, and has participated in a joint United States-Canadian exploratory session covering mutual emergency transport plans. The Commission provided liaison representation to the National Resources Evaluation Center and participated in national supply-requirements studies.

RATES AND SERVICES

The elements of transportation service, a major one of which is price, are undergoing constant change in this era of rapid technological and economic development. As members of our regulated surface carriage system introduce and exploit new and more sophisticated ways of offering and pricing their services, our work grows more challenging. The Congress has provided us with a broad mandate for meeting that challenge—the National Transportation Policy—and, in general, flexible statutory standards for discharging our resulting responsibilities. These have enabled us, particularly in our consideration of critical transportation rate and service issues, to respond promptly and flexibly to the multitude of advances which have marked our surface transportation system in recent years. The accelerated technological and economic progress of the system has not been achieved without problems. But, as the following chapter illustrates, the hardships of change have been far outweighed by the benefits derived by carriers, users, and the Nation as a whole.

Highlights

The so-called "small shipment problem" showed signs of diminishing in intensity. More agressive solicitation of express traffic, introduction of aggregate rates by some motor carriers, and expanded participation by bus operators in express traffic were factors contributing to a slightly improved situation.

Rates on bulk rail movements, notably grain, continued the trend toward trainload, unit train, and "bare bones" reduced rates and were reflected in many of our major rate proceedings.

Carrier operating cost considerations were increasingly reflected in our formal rate cases. In a series of formal proceedings dealing with specific tariffs, we articulated liberalized policies toward

the use of costs to justify rate reductions. Meanwhile, we are developing records in two cases intended to improve the quality of cost evidence submitted to us in rate controversies.

Greater efforts toward intermodal cooperation were evidenced by the number of tariffs filed with us. Noteworthy among these were publications enabling a joint rail-motor service in the East and a joint rail-water service between southern and midwestern cities, at one end, and the Hawaiian Islands, at the other.

The promise of rail "piggyback" techniques is being fulfilled, with this service now accounting for five times the volume it recorded in 1955. "Containers-on-flatcars" service, still in relative infancy, shows heartening signs of similar growth over the next few years.

PREFERENCE, PREJUDICE AND DISCRIMINATION

Although the major share of our rate work has dealt with aggressive competitive pricing, we also have been called upon to redress complaints by shippers and localities against rates and rate relationships that allegedly result in undue preference and prejudice and unjust discrimination.

In I. & S. Docket No. 8125, *Paper, Central Territory to North Atlantic Ports*, the Commission will consider the question of rate differentials between port cities on the North Atlantic coast. An important factor in the case is the decision of the Supreme Court in *Baltimore and Ohio R. Co.* v. *Boston & M. R. Co.*, 373 U.S. 372 (1963), affirming by an equally divided court the decision of the U.S. District Court for Massachusetts in *Boston & M. R. Co.* v. *United States*, 202 F. Supp. 830 (D. Mass., 1962). The effect of these decisions was to equalize the rail rate relationships on export and import traffic moving between the northern tier ports of New York, Boston, Albany, and Portland and a defined interior territory with such rates to and from the southern ports of Philadelphia, Baltimore and Hampton Roads, eliminating the differentially lower basis which had been in effect since 1877. In the proceeding, the Baltimore and Ohio is attempting to restore a differential in favor of Baltimore through publication of a reduced rate on paper for export. Carriers serving the northern ports of Boston and New York have published identical rates. In support of its proposal, the B. & O. alleges that its rates are justified by its lower costs for shorter hauls, and that the identical rates of its competitors over longer distances are below a cost-of-service level. In his recom-

mended report, the hearing examiner found that the rates to Baltimore had been proven to be compensatory, but that the failure of the carriers serving the northern tier ports to offer evidence of their cost of performing the service, and the inadequacy of such evidence as to southern tier ports, other than Baltimore, supported a conclusion that their rates had not been shown to be just and reasonable. Acknowledging that the result was to reestablish a rate differential to Baltimore, he stated that such a fact afforded no legal justification for condemning rates on one commodity which are otherwise lawful under the act.

Several recent complaint cases have involved disparities in rail rates to and from ports on the Gulf of Mexico. The Commission found that the rate differentials were not justified by transportation conditions and frustrated the movement of goods through the higher rated ports. Accordingly, we ordered the removal of rate disparities prejudicing the growth of these gulf ports. For example, in *Nueces County Nav. Dist No. 1* v. *Atchison, T. & S. Ry. Co.*, 325 I.C.C. 400, we found that export rates on cotton from certain points in Oklahoma, New Mexico, and Texas were unduly prejudicial to the port of Corpus Christi, and unduly preferential to the ports of Houston and Galveston. Undue prejudice and preference was ordered removed by requiring that the rates to Corpus Christi be no higher than those to Houston and Galveston. An appeal from the Commission's decision is pending in the United States District Court for the Southern District of Texas, civil action No. 65–H–594, *City of Galveston* v. *United States, et al.* In *Alabama State Docks Dept.* v. *Alabama, T. & N. R. Co.*, 323 I.C.C. 185, the Commission, on reconsideration, found rates on export rice from certain points to be unduly prejudicial to Mobile, Ala., and that corresponding rates to New Orleans and Lake Charles, La., Houston, Tex., and related ports were unduly preferential to the extent the Mobile rates were higher.

Two important proceedings involving discrimination between competing carriers were disposed of recently. On May 11, 1965, the Commission entered an order discontinuing its proceeding in *Aluminum Articles from Sandow, Tex., to Pa. and N.Y.*, 319 I.C.C. 431, after a remand of our decision by a three-judge district court in New Jersey in *Seatrain Lines, Inc.* v. *United States*, 233 F. Supp. 199 (D. N.J., 1965). The court had remanded the proceeding to the Commission for our failure to find a violation of section 3(4) by the rail carriers in reducing rail rates from southwestern origins to eastern points without making corresponding reductions to and from the ports used by Seatrain. Subsequently, the parties reached an agreement and the proceeding was discontinued.

SECTION 5a

On reconsideration in *Arbet Truck Lines, Inc.*, v. *Central States Motor Freight*, 325 I.C.C. 83, we affirmed the prior finding of Division 2 in 321 I.C.C. 460. We found that the defendant's actions in protesting proposed rates of the complainant, alleged to be harassment by the complainant, were permitted by section 216 (e) and (g) of the Interstate Commerce Act and by prior Commission decisions. We, therefore, vacated the order reopening the proceeding for reconsideration. An appeal from the Commission's decision is now pending before the United States District Court for the Northern District of Illinois, *Arbet Truck Lines, Inc.* v. *United States*, civil action No. 65–C–866.

DIVISIONS

Divisions cases involve the share of jointly earned revenues which the respective carriers are to receive. When the rail carriers are unable to agree on fair divisions they "resort to the umpire" by instituting proceedings before the Comission. The proceedings are bitterly contested and present some of our most complex problems, The records are usually long and complicated because of the nature of the evidence of the amounts of traffic involved, the relative costs of rendering the service, and the respective revenue needs of the carriers. Determined and more conciliatory exploration of possible solutions by the carriers themselves would relieve the Commission of much of the burden of these cases.

In the Transcontinental Divisions Case, *Akron, C. & Y. R. Co.* v. *Atchison, T. & S.F. Ry. Co.*, 321 I.C.C. 17, 322 I.C.C. 491, we prescribed new divisions of official—transcontinental and midwest—transcontinental freight rates so as to give larger divisions to eastern and certain midwestern lines. The Commission's decision was reversed and the case was remanded to us by a Federal district court in California, in *Atchison, Topeka, & Santa Fe Ry. Co.* v. *United States*, 238 F. Supp. 528 (1965). The court found that, in addition to group findings, we must make individual findings concerning (1) all factors listed in section 15(6) with respect to each individual carrier in each group; (2) the amount of revenue required in terms of dollars with respect to each group and each individual carrier in the various groups, and (3) the financial effect, in terms of dollars, of the new divisions with respect to each group and each carrier in the various groups. After we appealed the district court's opinion to the Supreme Court, the eastern and western lines agreed upon a compromise formula for dividing revenue, and they filed a petition to vacate our order to the extent it affected the parties to the agreement.

We issued a report on further hearing on *Official-Southern Divisions*, 325 I.C.C. 1, and a report on further consideration at 325 I.C.C. 449, prescribing for the northern lines a higher percentage of the revenue derived from interterritorial traffic interchanged between the northern and southern lines. Our determination was based on the fact that all other conditions were substantially equal and the relative cost to the parties of their operations underlying their respective participation in this traffic could, therefore, be used as a guideline for reaching just, reasonable, and equitable divisions. An appeal having been filed by the southern lines, the proceeding is pending before the United States District Court for the Eastern District of Louisiana, New Orleans Division.

The Supreme Court on April 26, 1965, affirmed the judgment of the District Court for the Western District of North Carolina in *Carolina & Northwestern R. Co.* v. *United States*, which sustained an order of the Commission in *Louisville & N. R. Co.* v. *Southern Ry. Co.*, 319 I.C.C. 639. By that order we prescribed a scale of divisional factors, based upon fully distributed costs, for dividing the joint rates on coal from mines on the lines of the L. & N. to delivery points on the lines of the Southern Railway and its subsidiaries.

SECTION 22

Proceedings under section 22 during the past year involved rates on the transportation of property for Government agencies and those involving special reduced rates to areas of the Nation needing relief from floods, drought, and other disasters.

In *Interpretation of Govt. Rate Tariff—Eastern Central*, 232 I.C.C. 347, a large motor carier association requested us to determine the lawfulness of a carrier proposal to quote rates under section 22 for the transportation of Government property tendered on a commercial bill of lading bearing an endorsement that the transportation was for the benefit of the Government and that the transportation charges therefor would be borne by the Government. In sanctioning this new proposal, Division 2 concluded that such proposals were lawful and that, so long as the Government received the total benefit of lower rates allowed by law under section 22, the issuance of Government bills of lading was not required. Following a designation that his proceeding involved a question of general transportation importance, the Commission denied subsequent petitions for reconsideration. An appeal from the Commission decision is pending in the United States District Court for the District of Maryland,

civil action No. 16462, *Middle Atlantic Conference et al.* v. *United States.*

Special reduced rates under section 22 were established by a number of railroads serving areas affected by natural disasters. On January 21, 1965, we isued Disaster Order No. 9 permitting the establishment of reduced carload rates to shippers and receivers of freight at points in northern California which had suffered heavy damage and disruption from floods. By subsequent amendments, application of these rates was extended to other points in northern California suffering flood damage. In both instances, their relief permitted payment of allowances to shippers forced by floods to arrange for movement of their property to railheads not affected by the floods.

Reduced rates were also permitted to alleviate the impact of the prolonged drought in the Northeast. By Disaster Order No. 64, reduced rates on hay were authorized to the State of Vermont. By amendment of September 9, 1965, at the request of the Secretary of Agriculture, this relief was extended to 46 rural counties in the State of New York.

In April and May, the Mississippi River flooded a six-State area, resulting in extensive damage to rail facilities and seriously hampering rail movement. To meet the emergency, the Commission issued several rerouting orders authorizing affected railroads to divert traffic over any available route so as to expedite its movement.

SMALL SHIPMENTS

Movement of small-shipment traffic by regulated carriers in 1964 followed trends similar to those noted in the 78th Annual Report. Railroad less-than-carload traffic declined, but not as sharply as in the preceding year. Transportation of small shipments by motor carriers increased. Efforts by bus operators to secure express traffic continued to be successful, resulting in a slightly larger revenue percentage increase from this traffic than was realized in 1963. Railway Express Agency shipments and revenues exceeded those of the preceding year. Freight forwarder revenues increased slightly despite a lesser amount of traffic.

Revenues for less-than-truckload shipments (those weighing up to 10,000 pounds) by class I motor carriers of general freight amounted to $2.7 billion in 1964, an increase of 8.3 percent over 1963. The number of tons aggregated 69.4 million and the number of shipments carried totaled 247.1 million, increases of 5.7 and 3.9 percent, respectively, over the previous year. Average weight per shipment rose from 552 to 561 pounds.

Express revenue reported by class I motor carriers of passengers for handling package traffic by bus, $52.4 million, represented an increase of 11.3 percent or $6.2 million over revenues from comparable traffic in 1963. The increase reported for 1963 over the amount for the previous year was $4.4 million, or 10.5 percent.

The 67.8 million domestic shipments moved by REA Express during the year were 2.6 percent more than in 1963. Revenues produced by these shipments totaled $411.3 million, or 7.6 percent above the figure for 1963. Express privileges payments,[1] made principally to rail, motor, and air carriers, increased 4.4 percent from 1963, reaching a total for 1964 of $118.2 million. Among payments for express privileges to all modes, payments to railroads showed the only percentage decline in total payments made for such privileges. The amount paid to railroads rose by 1.9 percent to $82.3 million, but the railroads' share of total payments dropped 1.8 percentage points to 69.7 percent. Payments to motor carriers reached $3.8 million, a rise of 23.3 percent, and their share of the total increased by 0.5 percent to 3.3 percent. The amount of $31.3 million received by air carriers, which was 9.4 percent over 1963, represented a 26.5-percent share of such payments to all carriers, or an increase of 1.2 percent.

The number of small shipments received by 58 freight forwarders with revenues of $100,000 or more, compared with the 60 such forwarders reporting in 1963, dropped 5.5 percent to 18.4 million. The total weight reported for these shipments was 4.2 million tons, a decline of 1.4 percent. Average weight per shipment rose to 452 from 432 pounds in the preceding year. These shipments for 1964 yielded revenues of $470.6 million, an increase of $0.99 million, or 0.2 percent, over the amount for 1963.

In the area of small-shipments rates, several general increase less-than-truckload rate proposals are presently being investigated by the Commission. The so-called COR (cost-oriented rates) case, I. & S. No. M–18455, *LTL COR Rates between East and Territories West*, involves flat charges for weight brackets on shipments up to 200 pounds, and rates per 100 pounds to be added to charges for shipments from 200 pounds to 5,000 pounds. The proposal has been the subject of hearings.

During the fiscal year we disapproved proposed increased less-than-truckload rates in *L.T.L. Class Rates & Minimum Charges—Midwest & Central*, 325 I.C.C. 106. Although data relating to costs and revenue needs were introduced by the respondents, we found that this

[1] Amount paid or accrued to companies, firms, or individuals for the privilege of conducting an express business over transportation lines.

evidence lacked probative value to support the proposal. We pointed out that in prior cases the Commission has warned motor carriers that more reliable evidence must be presented if such proposals are to be approved. A request by the respondent motor common carriers for an interlocutory injunction was denied by the United States District Court for Minnesota, Minneapolis District.

Motor carriers appear to be attempting to alleviate their small-shipment problems by establishing reduced rates which apply when a shipper tenders a volume quantity of less-than-truckload shipments at one time. The minimum quantities to secure application of these rates vary. Generally, the reductions are related to reduced costs of performing pickup service. In a recent case, *Aggregate Rates from Rochester, N.Y.*, 325 I.C.C. 474, Division 2 approved aggregate rates applicable on less-than-truckload shipments of 18,000 pounds tendered at one time and at one point of origin. A showing was made that substantial savings in carrier pickup costs would be realized by encouraging shippers to tender small shipments in aggregates.

In *Assembling Rates to Atlanta, Charlotte, Greensboro*, 323 I.C.C. 543, decided November 19, 1964, Division 2 conditionally approved tariff provisions for the application of assembling rates to less-than-truckload shipments of textile products moving beyond assembly points in private, as well as common, carriage. The rates were to apply only to consolidated shipments in freight forwarder "truckloads," although in private carriage the consolidated shipment need weigh only 10,000 pounds. The Division found that a difference in the requirement governing the sizes of outbound shipments would be discriminatory and suggested that the outbound truckload be subject to a minimum of 12,000 pounds in all instances. The private carriage involved follows the for-hire assembly movement and the earlier consolidation by the shipper (subsequently, the private carrier) of its own small-lot traffic.

GRAIN

The traditional rail grain rate structure continues to change. During the year, this was manifested in adjustments resulting in reduced rates for less-costly services. On May 21, 1965, in Docket No. 34381 (and subnumbers), *Wheat in Multiple Car Shipments, Minn. & Wis. to Buffalo*, Division 2 affirmed a hearing examiner's report approving a unit-train rate of 33.5 cents per 100 pounds for shipments of at least 4,950 tons of wheat from Duluth, Minneapolis, Minnesota Transfer, and St. Paul, Minn., and from Superior, Wis., to Buffalo, N.Y. The standard single-car rate from and to the same points was 72.5 cents.

The new rate applied to a trainload volume moving from one shipper at one origin to one consignee at destination. The rate produced savings by restricting free time to 24 hours at both origin and destination, and by omitting in-transit arrangements and other accessorial services commonly accorded in connection with standard grain rates. The tonnage involved, not previously transported by the railroads, increased their utilization of freight cars during the winter months. Similar rates have been established on other grains, including corn and oats.

In the East, reduced grain rates based on distance and omission of extra services became effective without formal investigation. Reduced export rates on both single and multiple-car shipments of barley, corn, oats, rye, or wheat, in bulk from concentration points such as Indianapolis, Ind., and Toledo and Cincinnati, Ohio, to Norfolk, Va., Baltimore, Md., and Philadelphia, Pa., became effective without suspension. Because of protests and complaints, principally by the Chicago Board of Trade, the rates were made subject to investigation. Subsequently the carriers published rates on a comparable level to Chicago, and the investigation was discontinued. The rates apply only during the season of open navigation on the St. Lawrence Seaway and, in some cases, only for shipments made in equipment owned or leased by shippers. To a large degree, they reflect reduced operating costs to the railroads resulting from limitations on transit services, inspection, reconsignment and diversion, and free time at the ports.

We issued a second report on reconsideration on September 10, 1965, in *Grain in Multiple-Car Shipments—River Crossings to So.*, 325 I.C.C. 752, the so-called "Big John" case. The second report was issued as a result of an order by the United States District Court for the Southern District of Ohio (issued pursuant to the mandate of the United States Supreme Court) remanding the case to us for reconsideration. The district court had reversed our prior report (321 I.C.C. 582) which held that multiple-car grain rate reductions proposed by the Southern Railway resulted in undue preference to shippers located at Ohio and Mississippi River Crossings and undue prejudice to shippers located at Tennessee River ports, and that, if such preference and prejudice were removed, the proposed rates would be inadequately compensatory.

On reconsideration, we found that the Southern rates from Ohio and Mississippi River crossings were designed to meet competition from unregulated truck movements and that similar long-haul truck competition did not exist from the Tennessee River ports. We found

that because of dissimilarities of transportation conditions, the rates do not result in undue prejudice to the Tennessee River ports. We further found that the proposed 60-percent rate reduction would result in compensatory rates for the Southern, using jumbo cars, but that comparable reductions by competing railroads, using conventional equipment, were not justified.

In *Chicago, Burlington, & Quincy R. Co., et al.* v. *United States, et al.*, 242 F. Supp. 414 (N.D. Ill. 1965), the district court set aside the report and order vacating the mandatory rate-break rule in *Omaha Grain Exc.* v. *Chicago, B. & Q. R. Co.*, 322 I.C.C. 743. The court held that the parties had not received requisite prior notice that the Commission contemplated the vacation in this proceeding of its earlier order establishing the method by which grain rates from the West to the South and East are published. The Commission has filed a notice of appeal to the Supreme Court.

COSTS IN RATEMAKING

Because of the growing importance of transportation costs in carrier ratemaking, we are now reviewing our policies in this area and exploring ways to secure better cost evidence in contested rate cases while at the same time reducing delays attendant to development of such evidence. Our most important pending proceeding in this area is Docket No. 34013, *Rules to Govern the Assembling and Presentation of Cost Evidence.* The record in this proceeding is now closed, and a recommended report and order is being prepared by the hearing examiner. In a related proceeding, No. 34540, *Motor Carrier Probability Sampling Studies*, the Commission is investigating the value of continuous probability sampling of various operations in the motor carrier industry as a means to obtain better statistical data for developing costs of motor carrier shipments. By notice of April 23, 1965, one such sample plan was sent to motor carriers and other interested parties for their comments. Three other plans involved in the investigation were sent out on August 22, 1965. We are now reviewing responses to these proposed sampling plans with a view to taking final action thereon early in 1966. If adopted, this sampling program will be used in our continuing studies of motor carrier regional costs.

We revised our prior interpretation of certain aspects of our cost formulas in several cases decided during the year. Two of these, *Carbon Blacks from the Southwest to Ind., Ohio & Mo.*, 325 I.C.C. 138, and *Animal Feed from Kansas City, Mo., to Chicago*, 325 I.C.C. 147, involved arguments by proponents of reduced rates that their proposals were justified by costs computed for the direction in which

the affected traffic would move, since the carriers otherwise would have empty equipment moving in that direction. Previously we had held in general that costs of movement must reflect round trip operations.

In the *Carbon Blacks* case, we stated that where there is "a heavy and chronic imbalance of traffic, it is obvious that traffic moving in the same direction as that of the empty vehicle movement does not in fact create empty vehicle miles and should not bear the cost responsibility for such miles which Highway Form B (a short formula for estimating motor carrier costs) purports to assign." We, therefore, approved the reduction proposal without requiring that it reflect a round trip load factor. In the *Animal Feed* case, decided the same day, we said of a similar situation that adjustments in Form B must be made "to meet the reasonable exigencies of carrier needs." Petitions for reconsideration have been denied in both proceedings.

A somewhat different cost-of-service issue was presented to us in *Ingot Molds from Pennsylvania to Steelton, Ky.*, 323 I.C.C. 758, decided by Division 2 on February 2, 1965. This proceeding involved a rail rate equal to the overall cost to the received for the movement of the same traffic by a competing barge-motor route. On the basis of total costs, the latter route was the low cost mode. The proposed rail rate exceeded out-of-pocket rail cost of moving the traffic, but was below the fully distributed cost level. The barge-truck rate was also below the full cost of that service. While adhering to the principle that the most economic mode in a competitive rate situation should be determined on the basis of fully distributed rather than out-of-pocket costs, Division 2 observed that the bargeline in the *Ingot Molds* case was voluntarily maintaining a rate below its full cost. It therefore concluded that destructive competition would not result from a rail rate reduction to the level of the cost to the receiver of using the competing mode. However, in a report on reconsideration, 326 I.C.C. 77, a majority of the Commission reversed the division, stating that "by reducing its rate below the level of the barge-truck full costs, the respondent railroads have unlawfully impinged upon the ability of the barge-truck mode competitively to assert its inherent cost advantage."

EXPRESS SERVICE AND RATES

The vital role of the Railway Express Agency in the Nation's total transportation picture has been recognized by the Commission in a number of recent cases. With continued declines in scheduled passenger train service—the historic means of transporting express traffic—REA has turned increasingly to the use of motor transportation for its express shipments.

The most recent example of this trend was exemplified by Southern Railway's discontinuance of all handling of express shipments. REA then applied for numerous grants of temporary motor carrier authority within the territory served by Southern. Most of these applications were granted pending disposition of REA's applications for permanent motor carrier authority in the same area.

Today, REA holds certificates authorizing motor carrier operations for the handling of express traffic over a large number of highway routes east of the Mississippi River. Most of these certificates are restricted to the transportation of traffic having a prior or subsequent movement by rail (the so-called rail-haul condition), and may not be joined together to provide through motor service. As an outgrowth of our examination of the nature of REA service in *Railway Exp. Agency Inc., Extension—Nashua, N.H.*, 91 M.C.C. 311, discussed in our 78th Annual Report, we invited REA to file petitions to modify its existing certificates, where necessary, to permit all-motor service. REA responded by filing a general petition requesting the removal of rail-haul restrictions in over 500 of its existing certificates. Many motor carriers have noted their opposition to the relief sought by REA, and a prehearing conference has been held. Formal proceedings will begin in 1966.

Another outgrowth of the *Nashua* decision is our pending rulemaking proceeding in Ex Parte No. 242, *Express Company Terminal Areas*. Begun in 1964, the case involves REA service within terminal areas and whether rules and regulations governing terminal area transportation performed by express companies should be prescribed. A major issue is whether pickup and delivery services performed by REA in connection with its motor carrier operations should be limited, as are such services of general motor carriers, to terminal areas coextensive with the commercial zones of the points served. A hearing examiner's recommended report, served on August 25, 1965, found that the Commission should impose terminal limits on REA identical to those imposed on motor carriers and freight forwarders. Exceptions to the examiner's report have been filed.

REA has advanced a number of novel rate proposals to broaden its traffic base. In *Men's & Boys' Outerwear—Bruceton, Tenn., to U.S.A.*, 325 I.C.C. 284, Division 2 concluded that REA Express was operating within the scope of its authority as an express company in publishing nonpremium rates and minimum charges for less-than-carload shipments of men's and boys' outerwear from Bruceton, Tenn., after finding that the service offered satisfied the five criteria of express service. However, the principal significance of the *Bruceton* case lies in its consideration of a complex and bitterly contested cost

study in which REA and the railroads furnishing the bulk of its underlying line-haul transportation undertook to develop the line-haul costs to the rail carriers of handling less-than-carload express traffic. A novel feature of the study was the use of a random sampling of more than 3,000 passenger trains to secure data to reflect the characteristics of passenger class trains and passenger train service. This innovation was extensively discussed in the report, and approved. After some restatement of the study to correct certain defects therein, the Division ascertained that the proposed rates were compensatory and that REA was the low-cost carrier in handling the considered traffic. In several proceedings, including No. 33918, *Phonograph Records or Jackets, REA, Richmond, Indiana to U.S. Points* (decided by decision and order on April 13, 1965), and No. 33975, *Chemicals in Aggregate Shipments, Midland, Michigan to the East* (decided by decision and order on March 31, 1965), where the same rail cost study was used in REA's cost presentations, the rates were found just and reasonable conditioned on no contrary findings being made in the *Bruceton* case. A petition seeking reconsideration of the latter case has been denied.

HOUSEHOLD GOODS

The unique nature of household goods transportation by motor vehicle has led to the evolution of carriers operating over extensive territories, some nationwide. In varying degrees these carriers use pooling arrangements with other carriers and also the services of hauling agents which, in most instances, are smaller carriers forced by limited operating authorities and financial resources to confine their operations to traffic moving from and to a limited base territory. We have repeatedly recognized the need for carriers to band together under arrangements which make possible the economical and efficient transportation of household goods. Accordingly, we have approved the existence of nationwide carrier systems and their attendant pooling arrangements and agency agreements with local carriers. Because of the peculiarities inherent in the transportation of household goods, the Commission has also deemed it expedient to exclude such transportation from its basic trip-leasing regulations. The Commission presently has jurisdiction over proposed pooling arrangements by motor carriers of household goods, with the right to approve pooling agreements upon a finding that the pooling or division of traffic, service, or earnings will "be in the interest of better service to the public or of economy in operation, and will not unduly restrain competition."

Although legislation has been recommended by the Commission to exempt motor carriers of household goods from the provisions of the pooling statute, section 5(1), the Commission, concerned about the

situation in the absence of such legislation, has reopened Ex Parte No. MC–51, *Pooling by Motor Carriers of Household Goods*, and given notice of proposed rules on the subject. Interested parties have filed representations and the matter is pending before Division 3.

Operating Rights

The transportation of household goods by motor vehicle continues to increase. Recognizing the continuing need for such service, the Commission, Division 1, has granted operating authority to three substantial motor carriers to allow them to conduct operations on a nationwide basis. They are Burnham Van Service, Inc., of Columbus, Ga., and John F. Ivory Storage Co., of Detroit, Mich., granted authority in *Burnham Van Service, Inc., Household Goods—13 States*, 98 M.C.C. 58, and King Van Lines, Inc., of Wichita, Kans., granted authority in *King Van Lines, Inc., Extension—Seven States*, 98 M.C.C. 19.

Rules and Released Rates

In its report on reconsideration, entered October 9, 1964, in Ex Parte No. MC–19, *Practices of Motor Common Carriers of Household Goods*, 96 M.C.C. 196, embracing Ex Parte No. MC–61, *Released Rates of Motor Common Carriers of Household Goods*, the Commission modified slightly its proposed uniform released rates order for household goods carriers. The validity of the order was challenged before the United States District Court for the Southern District of California in civil action No. 65–21–PH, *AAA Storage Co.* v. *United States*, and on August 12, 1965, it rendered its decision. The court generally sustained the Commission's determination but it held invalid that portion of our released rates order whch would have provided full liability to $10,000 upon the shippers' payment of an added charge of 50 cents a hundredweight, on the ground that this did not provide a variance with value as required by section 20(11) of the act. The court continued its stay order, subject to dissolution on motion of the Commission following the determination of its reopened proceeding.

Time Payments

In *Time Payment Plan for Transporting Household Goods*, 323 I.C.C. 677, we authorized for a 1-year trial period, rules proposed by North American Van Lines, Inc., enabling household goods shippers to arrange credit for their moving charges. A downpayment of 10 percent of the total charges was required, the balance of the unpaid charges and the cost of the credit to be covered by a shipper's promis-

sory note to North American which the carrier in turn will sell to a financial institution for the amount of the charges. One rule, in the form of a time payment table including credit charges, was found not to be subject to the act and thus improperly in the tariff. Petitions for reconsideration by Division 2 and for a designation of the matter as a question of general transportation importance by the entire Commission were denied.

CARRIER COORDINATION

In our 78th Annual Report we noted the completion of two rule-making proceedings intended to establish guidelines for motor and air carriers operating within the scope of the "incidental-to-aircraft" exemption of section 203(b)(7a) of the Interstate Commerce Act. The rules which we adopted in *Motor Transp. of Property Incidental to Air*, 95 M.C.C. 71, 49 CFR 210.40 and 49 CFR 404.1, dealing with exempt motor carrier pickup and delivery of air freight, provide in substance that direct air carriers and air freight forwarders, if regulated by the Civil Aeronautics Board, must confine such transportation to traffic moving on through air bills of lading within terminal areas defined in tariffs accepted by the Board. The regulations dealing with the carriage of air freight were challenged by certain air freight forwarder interests in the Federal District Court for the Eastern District of Pennsylvania. The court sustained our decision, and its action has been affirmed by the Supreme Court, *Air Dispatch, Inc.* v. *United States*, 237 F. Supp. 450 (1964), aff'd 381 U.S. 412. The exception allowed in emergencies for both property and passenger transportation was sustained in *National Bus Traffic Assn., Inc.*, v. *United States*, civil action No. 65–C–245, by the United States District Court for the Northern District of Illinois on December 10, 1965.

The CAB subsequently adopted regulations governing the filing of pickup and delivery tariffs establishing new air terminal areas. These require that we be notified of such filings to the end that we be kept informed and be able to take action should attempts be made to expand, to an unreasonable extent, those areas in which the surface transportation of air freight may be provided without motor carrier operating authority. The Board has received a number of requests from air freight forwarders for permission to establish enlarged terminal areas, but none has yet received final approval.

The rules which we adopted pursuant to the exemption in *Motor Transp. of Passengers Incidental to Air*, 95 M.C.C. 526, 49 CFR 210.45, set forth a 25-mile limitation within which exempt motor transportation may be performed from an airport, except in emergencies. Simi-

lar to the property rules, these rules also allow for the individual determination of exempt zones upon application to the Commission.

In adopting regulations dealing with passenger transportation incidental to air, we found that a motor movement which takes place wholly within a single State, involving no through arrangement with connecting interstate air carriers, is in intrastate rather than interstate commerce. We did not, however, specifically deal there with the highway movement of a group of persons when their transportation embracing a one-State motor movement and a multi-State air movement, is arranged and paid for by a third person. Subsequently, in *Midwest Transp., Inc., Common Carrier Application*, 98 M.C.C. 362, these third-party activities were found not sufficient, in the absence of through routes or common arrangements between participating carriers, to justify a holding that the motor movement was interstate in character.

Joint Tariffs

The trend toward intermodal cooperation and coordination is also evidenced by the increased number of tariff filings naming joint motor-rail and motor-rail-motor rates. One such tariff, effective January 30, 1965, named less-than-truckload or any-quantity class rates between Illinois, Indiana, and Missouri, on the one hand, and points in Delaware, Maryland, New Jersey, New York, and Pennsylvania, on the other. The tariff, participated in by railroads and more than 25 motor carriers, involves movements between rail ramps in trailer-on-flatcar service.

In another development, the Southern Railway System and Isthmian Steamship Lines initiated a coordinated service for containerized less-than-carload freight from 23 points on the Southern's lines to the Hawaiian Islands via New Orleans. The new system is already in effect from Atlanta, Birmingham, Cincinnati, Memphis, and St. Louis. The freight moves from the shipper's loading dock to Honolulu in 19 to 22 days. It is shipped on scheduled Southern trains to meet specified Isthmian sailings to Honolulu, of which there are 20 a year from New Orleans. Shippers will have the advantage of low containerized LCL rates, the overall economy of long-haul rail movement, and the flexibility of short-haul highway transportation.

VOLUME RATES

To meet competition from other modes by exploiting their inherent advantage of low-cost high-volume operations, railroads in recent years have turned to rates conditioned on specified volumes of traffic. Some of these are multiple-car or trainload rates. Others are condi-

tioned upon specific tonnage being tendered by a user over a period of time. Many rates of this type have been established on grain and grain products and are discussed in a separate section. As to other commodities, an important application of the annual volume principle was approved by Division 2 in *Bituminous Coal from Tenn., Ky. & Va. to N.C., Tenn. & Va.*, 325 I.C.C. 548. Here, the carriers proposed to offer both reduced single carload rates based on minimum weights for various sizes of cars, and annual volume rates with a minimum of 300,000 to 350,000 net tons per year. Designed to forestall replacement of coal by natural gas at involved destinations, these rates were found to be compensatory and not to result in unjust discrimination to shippers of coal.

Iron Ore from Cleveland, Ohio, to Ohio and Pennsylvania, 323 I.C.C. 746, involved multiple-car rates on iron ore proposed by the Erie-Lackawanna Railroad in order to obtain a greater share of ore traffic moving through several Lake Erie ports. The proposal was protested by other railroads which argued that they would be forced to reduce their rates to other destinations from other ports to preserve market relationships. Although admitting that the rates were compensatory, the protestants contended that the proposal constituted a destructive competitive practice. In rejecting these arguments and approving the rates, the Division noted that the multiple-car rates were properly related to single-car rates and should be conditioned to restrict delivery of any given shipment to not more than two destinations.

PIGGYBACK CONTAINERIZATION

With 1964 trailer-on-flatcar volume five times that of 1955, rail piggybacking of truck trailers is now shifting nearly 1,750,000 truck trailer movements a year from highways to rail lines. Total piggyback car loadings for 1964 were nearly 890,216 cars, an increase of 11.6 percent over the preceding year. For the first half of 1965, loadings of this type increased 15.6 percent over the same period in 1964, and it is expected that piggyback loadings will exceed one million cars for 1965. At present annual growth rates, this figure could double by 1970.

Also registering noteworthy growth is containerization, in which transferable freight containers are loaded from terminal to rail flatcar, and then to truck trailer for delivery. The volume of containerized rail freight is showing a steady gain. This transport concept is presently utilized extensively in import-export traffic and in the movement of mail and express. Containers-on-flatcars offer the advantage of

"leaving the wheels behind," while at the same time improving individual shipment security.

Auto Movements

Directly attributable to specially designed triple-tier rail rack cars is the recent significant increase in rail volume of automobile traffic. In 1963, railroads hauled 28.5 percent of the tonnage of passenger automobiles originated by regulated carriers, as compared with only 7.8 percent in 1959. Their share of the total revenue from such traffic rose from 14.9 to 39.3 percent. Preliminary information indicates that the railroads experienced a 29.6-percent increase in tons and a 17.3-percent increase in revenues from this traffic in 1964 as against 1963. All carriers hauled a total of 9.1 million freight and passenger vehicles in 1963, compared with 6.7 million in 1959. In three proceedings decided simultaneously on September 18, 1964 (*Motor Vehicles* (*Tri-Level-Truckaway*) *from Flint*, *Mich.*, 323 I.C.C. 215, *Motor Vehicles—Wayne & Wixom*, *Mich.*, *to Milwaukee*, *Wis.*, 323 I.C.C. 266, and *Wisconsin & Michigan S. S. Co.* v. *Grand Trunk W. R. Co.*, 323 I.C.C. 298), Division 2 found lawful numerous reduced rates for all-rail movements of automobiles on trilevel rail cars and for joint rail and motor common carrier movements of this traffic. A Lake Michigan water carrier and an association of truck transporters of automobiles opposed the rates at issue in these cases. Except for a few rates published in connection with rail car ferry service (disallowed in the last-cited proceeding on reconsideration, 325 I.C.C. 244), the rates were found to be compensatory and otherwise lawful, and the routes involving rail movements were found to be more economical than those involving the water carrier. In the second proceeding, we stated that, "The development of the trilevel car, enabling the rail carriers to transport sufficient numbers of vehicles at a given time to materially reduce costs per unit and improve service, constitutes the sort of technological improvement which the national transportation policy was designed to encourage * * *. So long as rates and rules based on such improvements are consistent with the provisions of the Act and the stated policy, they represent a lawful effort to compete which should not be arbitrarily thwarted."

TOFC Rules

On August 20, 1965, the United States District Court for the Northern District of Illinois found the "open tariff" rules, promulgated by the Commission in Ex Parte No. 230, *Substituted Service—Piggyback* 322 I.C.C. 301, to be beyond the Commission's authority,

and ordered them set aside. The proposed rules, discussed in our 78th Annual Report, would require a railroad which offers TOFC service on an open-tariff basis—that is, to the regular shipping public—to make that service available on the same terms without discrimination to motor carriers. They also would authorize motor carriers to substitute this TOFC service of the railroads for their regular highway transportation by truck.

The court found that neither the specific provisions of the Interstate Commerce Act nor its general underlying scheme confer authority upon the Commission to compel railroads to provide open-tariff TOFC service to motor carriers. This is being appealed by the Commission. The court upheld our rule 5, which permits motor carriers to use TOFC service in lieu of their authorized line-haul transportation only if the rail distance is at least 85 percent of the highway distance by the authorized route. It also upheld rule 7, requiring the publication in tariff form of leasing arrangement of trailers by railroads or their affiliates.

OWNER-OPERATORS

By report on reconsideration dated September 3, 1965, of our prior findings in *Drugs and Related Articles, New Jersey to Chicago*, 322 I.C.C. 734, we explained our standards for appraising motor carrier rates involving so-called "owner-operator" activities. In the report, issued after remand from the U.S. District Court for the District of Columbia in *Eastern Central Motor Carriers Ass'n* v. *United States*, 239 F. Supp. 591 (1965), we restated the policy set forth by us in *Iron or Steel Scrap from Conn., Mass., and R.I. to Pa.*, 318 I.C.C. 567. In that earlier case, we had set forth new criteria for determining the lawfulness of rates where the underlying transportation was performed by owner-operators. In that proceeding we stated that in order to show compensativeness of proposed rates a carrier using owner-operators must prove that (1) the revenue it retains covers all of its costs and (2) the revenue paid to the owner-operators is sufficient to acquire or retain their services in the movement of the traffic to which the rates are applicable.

In *Eastern Central*, the court had held that, absent sufficient reasons to the contrary, when the cost method is used to prove the compensativeness of reduced motor carrier rates, full production of evidence is required of both the carrier using its own drivers and equipment and the carrier using owner-operators, in order to meet the requirements of the National Transportation Policy and section 216 (b), (d), and (g). In finding the proposed rates just and reasonable, our

report on reconsideration explained the difficulty in securing adequate and accurate cost evidence from owner-operators and stated that the collection and publication of such owner-operator data would serve no useful purpose. We further found that carriers using owner-operators enjoyed no advantage over those using their own equipment, but that different evidence is required to make the same ultimate determination as to the justness and reasonableness of rates of either type of carrier.

ALLOWANCES AND PAYMENTS TO SHIPPERS

The Commission permits reasonable allowances to be paid by carriers to shippers performing transportation services, or services connected with transportation, that a carrier itself otherwise would be obligated to perform. Some allowances are designed to alleviate equipment shortages and service problems. Others promote more efficient transportation operations.

In *Combined Bill of Lading—Freight Bill Allowance*, 323 I.C.C. 168, an allowance to shippers for furnishing a nine-part set of documents on each shipment was approved by Division 2. Noting that the responsibility for issuing bills of lading rested on the originating carrier, the Division found that the proposal would be of benefit to both carriers and shippers in that clerical expenses would be reduced and errors and omissions would be avoided.

Now pending are two major proceedings involving rail allowances: (1) I. & S. No. 8135, *Tank Car Allowances per Loaded Mile, Southern Railroad* (and three embraced cases in Dockets Nos. 34480, 34480 (Sub-No. 1), and 34480 (Sub-No. 2)); and (2) I. & S. No. 8008, *Allowances for Trucking Baled Cotton, Ark., Okla., and Texas.* The first group stems from general dissatisfaction, in light of the growing number of new tank cars coming into use, with the present structure of allowances paid for the furnishing of shipper-owned or leased tank cars. The proposed allowance scales would reflect the value of the car used, and would pay for empty as well as loaded miles or for loaded miles alone. The latter, originally a Southern Railway proposal, would double the allowance per car when loaded, and would allow nothing for empty movements.

Allowances proposed in I. & S. No. 8008, would be paid to shippers who perform or furnish motor transportation of cotton from various cotton ginning points to compress stations, from which rail transportation would begin. The proponent railroad argues that such an allowance is proper so long as the railroad also holds itself out to perform rail transportation from gin to compress station. This presents the

novel question whether it is lawful for a carrier to pay an allowance for shipper transportation performed in lieu of a line-haul movement. An examiner's recommendations have been issued.

Free Time

Pursuant to the provisions of section 1(15) of the Interstate Commerce Act, the Commission from time to time has exercised its emergency power to designate the maximum periods of free time allowances which railroads may grant. This action has been through the issuance of Service Orders. In February 1964, the Commission, in an attempt to alleviate the car shortage problem issued Service Order No. 953, which limited the free time allowable on export shipments, in boxcars only, to a maximum of 7 days, exclusive of Saturdays, Sundays, and holidays. The expiration of that order, originally intended for December 31, 1964, since has been extended to December 31, 1965. Various railroads serving the ports have in effect perpetuated Service Order No. 953 by publishing tariffs containing 7 days' free time limits at the ports on *all* types of cars and all commodities, with certain exceptions such as coal, coke, and potash. These tariffs are now under investigation in Docket No. 34522, *Free Time for In-Car Storage at U.S. Ports.*

Presently, the free time allowance for unloading export agricultural shipments at U.S. ports varies from 5 to 15 days. At Philadelphia and Baltimore, the railroads are proposing to reduce the free time allowance of 15 days to 7 days, by tariffs which we have placed under investigation. At the gulf ports, free time is 10 days and at the Great Lakes ports, it varies from 5 to 7 days. We have in the past investigated free time allowances at all port ranges except the North Pacific coast. The basic consideration in our prior decisions in these cases has been the time needed for the unloading of cars in the leading ports of the range.

SECTION 4

Section 4 of the Interstate Commerce Act embodies the principle that it is unreasonable to charge more for transportation of passengers or of like kind of property for a shorter than for a longer distance, over the same line or route, where the shorter is included in the longer distance, or to charge more as a through rate than the aggregate of intermediate rates. The first provision, the long-and-short-haul clause, presently is posing important questions for the Commission.

Section 4 applies directly only to rail and water transportaion; no comparable provisions are found in part II of the act, governing motor carriers, nor in part IV, governing freight forwarders. A basic issue

which the Commission is presently considering in a formal proceeding is whether, or to what extent, the provisions of section 4 apply to mixed rail and motor operations, particularly trailer-on-flatcar movements (Docket No. 34254, *Application of Section 4 Requirements to Joint Motor Rail Rates Established under Section 216(c)*). In order that the Nation may benefit from the advantages of each transportation mode, maximum utilization and coordination of the facilities of each mode should be encouraged. Coordination requires symmetry of regulation; which is particularly difficult to achieve where certain statutory standards govern one mode but not another.

In fourth section application No. 33656, *Commodity Rates East of the Rocky Mountains*, 304 I.C.C. 535 (August 1958), on reconsideration and oral argument, Division 2 granted an application for general relief from the long-and-short-haul provisions of section 4(1), to permit the carriers to establish distance commodity rates or point-to-point commodity rates based on distance scales, and to maintain higher rates at intermediate points on direct routes. The objective was to avoid the filing of a separate application each time an individual adjustment was proposed with attendant departures. The carriers published in connection therewith a rule holding out to establish at the intermediate points either the rate to the move-distant point or one constructed on the same basis, whichever was higher. As a minimum-earnings criterion, rates to the more-distant points were required to produce at least the revenue of a shipment of 30,000 pounds moving at the corresponding class 20 rate. Upon petition for reconsideration of the Chicago Board of Trade, urging that the order granting the general relief was beyond our power, the entire Commission, on August 30, 1965, granted the petition. Oral argument was held on November 9, 1965, and a report on reargument is pending.

CREDIT REGULATIONS

The Commission's policies relating to the granting of credit have been expressed through decisions in two major proceedings, Ex Parte No. 73, *Regulations for Payment of Rates and Charges*, and Ex Parte No. MC–1, *Payment of Rates and Charges of Motor Carriers*. The policies are now formally before the Commission for review.

These cases have been reopened on the Commission's own motion to determine whether, and to what extent, the rules and regulations pertaining to extension of credit to shippers by railroads and motor common carriers of property, operating in interstate or foreign commerce, should be modified or changed.

The issues are, among others, whether our credit regulations should be modified so as to require that sufficient information to render a

freight bill be made available to the railroad within a reasonable period of time after delivery or after the shipment leaves the origin; whether the credit regulations should distinguish between prepaid and collect shipments; whether provisions similar to those now applicable only to railroads should be made applicable to motor common carriers of property; and whether carriers affected by these proceedings should be required to obtain a surety bond from shippers before extending credit. An examiner's recommended report and order was served in the proceeding, September 10, 1964. Very minor changes in the existing regulations were recommended by the examiner.

793-742—66——4

OPERATING RIGHTS AND FACILITIES

The Commission's concern with the capacity of our national transportation plan to meet America's peacetime and defense needs is illustrated in a multitude of ways. Our responsibilities for framing and issuing motor carrier operating rights, approving or disapproving transportation plant unifications, considering rail line abandonments, and alleviating freight car shortages and imbalances are most clearly representative of the Commission's duties in this broad area. They are discussed in the following chapter.

Highlights

We are investigating the impact of the new Interstate Highway System on regular-route motor carriers of property.

We have disposed of nearly all "grandfather" motor rights applications filed with us under the Transportation Act of 1958, bringing previously unregulated traffic under our jurisdiction, and the 1960 amendment of the Interstate Commerce Act, reflecting the statehood status of Alaska and Hawaii. Initial determinations have been made toward all but 9 of the 2,888 "grandfather" applications filed with us under Public Law 87–805, which required registration of motor carriers transporting interstate traffic solely within a single State's borders.

We received an application—the first of its kind—for authority to operate "hovercraft" vehicles. The development of these machines, which are capable of moving over both land and water on a self-generated cushion of air, has been watched closely by the Commission, the Civil Aeronautics Board, the Federal Maritime Commission, the Coast Guard, and other Government agencies.

The rail industry trend toward mergers continued with the filing of additional applications seeking our approval of railroad unification proposals. Meanwhile, in a decision now pending before the courts, we approved the application of the Missouri Pacific Railroad Co. to acquire control of the Chicago & Eastern Illinois Railroad. Hearing examiners' recommended reports were issued in the Pennsylvania-New York Central and so-called "Northern Lines" cases.

Motor carrier unification applications increased by 15 percent from fiscal 1964, while our dispositions of such proceedings increased in the same period by 52 percent.

Rail freight car shortages occurred with increasing frequency, and affected not only boxcars, but also flatcars, gondolas, and open hoppers. We have tried to soften the impact of these shortages but, as we have testified in connection with legislation to strengthen our authority in this problem area, more is required.

OPERATING RIGHTS

As we noted in our 78th Annual Report, the Commission faces a problem in providing for orderly changeover of a substantial proportion of regular-route motor carrier operations from present routes to the Interstate Highway System. We instituted rulemaking proceedings March 30, 1965, in Ex Parte No. MC–65, *Motor Service on Interstate Highways—Passengers*, and Ex Parte No. MC–65 (Sub-No. 2), *Motor Service on Interstate Highways—Property.* This investigation of the new highway system's effect on motor carriers operating over regular routes will consider, among other matters, the possibility of granting such carriers permanent authority to use the new superhighways, without the need for full-scale formal proceedings in each individual case.

Motor Carrier Temporary Authorities

On April 7, 1965, the Commission adopted new rules for the filing, processing, and determination of applications for motor carrier temporary authority, under section 210a(a) of the Interstate Commerce Act. The rules require more complete information to be furnished by carriers and shippers, and set forth minimum standards of proof necessary for a grant of temporary authority. This should aid carriers seeking temporary authority, those supporting their applications, and—because the applications will be more complete and detailed than is now the case—the Commission and its staff.

Motor Contract Carriage

A contract carrier is defined as one which serves a limited number of shippers. Also, a contract carrier must either perform service by assigning vehicles to the exclusive use of each shipper for a continuing period of time, or provide service designed to meet the distinct needs of each individual customer. These three conditions have posed difficult interpretive problems.

What constitutes a "limited number of shippers" is a question frequently raised in cases before us. This issue was considered at length

in *Armored Carrier Corp. Extension—Vermont*, 92 M.C.C. 336, discussed at page 93 of the 78th Annual Report. The proceeding has been further heard and an examiner has recommended that the operations of the applicant be classified as those of a common carrier. In *Contractors Cargo Co.—Extension of Operations*, 96 M.C.C. 306, it was found that a carrier actively holding out service to the public at large and having contracts with 16 shippers, was actually operating as a common carrier. The case has been reopened by the Commission. In *E. A. Gallagher & Sons* v. *Cleveland General Transport*, 98 M.C.C. 356, the operations of an alleged contract carrier, which had so expanded its operations as to have contracts with 49 shippers, were found to be unlawful.

In No. MC–C–4520, *Motor Contract Carrier Operations—Definition and Conversion*, the Contract Carrier Conference of the American Trucking Associations, Inc., proposed standards for determining what constitutes a limited number of shippers. Division 1 concluded that these suggested criteria would only complicate the situation and it denied the petition.

What constitutes an "assignment of vehicles for a continuing period of time" has also proved to be a troublesome question, particularly when an outbound movement is performed for one shipper and a return movement for another. In *Owens Contract Carrier Application*, 95 M.C.C. 586, Division 1 found that a trip lease on return would destroy the exclusive assignment, but on reconsideration, 100 M.C.C. 34, the entire Commission disagreed. We held that whether the assignment of vehicles test was satisfied was a matter of fact to be determined in each individual case in light of the particular shipper's and carrier's needs and overall operations.

Foreign Commerce

The weight to be given to the evidence of a need for motor carrier service in Canada, in determining whether authority should be granted for the United States portion of a through motor movement, was considered in *Balazs Common Carrier Application*, 95 M.C.C. 631. Division 1 denied authority as there was no showing that existing carriers were unable to perform that part of the movement taking place within the United States, and because the matter of service in Canada was beyond the scope of the Commission's regulatory jurisdiction. On reconsideration, the entire Commission found that the United States-to-Canada operation should be considered as a whole, that there was no showing that the opposing motor carriers had through-route arrangements for handling international traffic and could provide

satisfactory service, and that the application should be granted. 98 M.C.C. 522.

Special Types of Proceedings

Applications for "grandfather" rights under the Transportation Act of 1958.—Section 7(a) of the Transportation Act of 1958 amended section 203(b)(6) of the Interstate Commerce Act to provide that the partial exemption of that section would not include frozen fruits, frozen berries, frozen vegetables, cocoa beans, coffee beans, tea, bananas, hemp, and certain types of wool. Section 7(c) of the 1958 act provided for the granting of "grandfather" rights to all motor carriers then transporting these commodities. Of the 955 "grandfather" applications filed, only 12 remain for disposition. These involve Commission decisions rejected by the courts, or reopened upon our own motion or upon petitions of the applicants. In this area, the application of Willis Shaw Frozen Express, Inc., represents the leading precedent. The Commission's initial decision, 89 M.C.C. 377, was upheld by the Federal district court but, upon appeal, the United States Supreme Court, in *Willis Shaw Frozen Express, Inc.* v. *United States*, 377 U.S. 159, reversed the lower court. In its *per curiam* opinion, the Court said:

> We think *United States* v. *Carolina Freight Carriers Corp.*, 315 U.S. 475, requires reversal of the judgment and a remand to the Commission for reconsideration in light of appellant's status and performance as a common carrier, the transportation characteristics and marketing pattern of these seasonal agricultural products, and the demonstrated ability of applicant to perform the service.

The Commission reopened the proceeding for further consideration, and, issued its report, *Willis Shaw Frozen Exp., Inc., Com. Car. Application*, 99 M.C.C. 141, on February 26, 1965. After reviewing the history of the legislation and pertinent Commission and Court decisions, the Commission adhered to its prior conclusion that the legislation involved did not require that frozen fruits, frozen berries, and frozen vegetables be treated as a single class of commodity. However, in response to the decision of the Supreme Court, the Commission granted more extensive authority than that authorized in the prior report. The commission's decision on reconsideration has now been appealed to the United States District Court for the Western District of Arkansas, civil action No. 1918, *Willis Shaw Frozen Express, Inc.*, v. *United States.*

The *Willis Shaw* precedent has been followed in reports on further consideration in: No. MC–118127, *Hale Distributing Company, Inc., Common Carrier "Grandfather" Application*, decided February 2, 1965; No. MC 118354 (Sub-No. 1), *Refrigerated Service, Inc., "Grand-*

father" Application, 98 M.C.C. 218; and MC–113951 (Sub-No. 1), *M. D. Cressy Co., Inc., "Grandfather" Application*, 98 M.C.C. 160.

Motor operations in Alaska and Hawaii.—The Interstate Commerce Act was amended July 12, 1960, to provide for "grandfather" rights for motor carriers, water carriers, and freight forwarders operating within Alaska, or between Alaska and points in the other States; and for "grandfather" rights for freight forwarders conducting operations between points in Hawaii, or between Hawaii and points in other States. The "grandfather" applications filed totaled 187. These have been disposed of with the exception of nine Alaska water carrier applications, one Alaska freight forwarder application, and six freight forwarder applications involving Hawaii, which are pending. In ruling upon these applications, we have followed a liberal policy in view of the relatively small amount of traffic involved and the consequent difficulties of proof.

A number of motor carrier applications for authority to operate in interstate and foreign commerce between points in Alaska by use of the State Ferry System (Marine Highway) were considered. Without deciding whether the ferry operations themselves are subject to the Shipping Act of 1916 or part III of the Interstate Commerce Act, we found that the ferries operate in exactly the same manner as an ordinary ferry. We concluded, therefore, that motor carrier operations between points in Alaska utilizing the ferry system are subject to part II of the Interstate Commerce Act and that the motor carriers providing the transportation must obtain appropriate authority to engage in the for-hire motor carriage. The issues are discussed at length in *Lindstrom Extension—Southeast Alaska*, 98 M.C.C. 647, 652–4.

In Ex Parte No. MC–59, *Motor Carrier Operation in the State of Hawaii*, 84 M.C.C. 5, we held that motor transportation in interstate or foreign commerce by carriers operating solely within Hawaii should not be regulated at this time. Certificates of exemption excusing all such motor carriers from compliance with the provisions of part II of the act were issued, pursuant to section 204(a) (4a) of the act.

As the provisions of section 204(a) (4a) are not applicable to carriers operating in States other than Hawaii, or to those affiliated with carriers conducting motor operations in other States, the certificates of exemption with respect to motor transportation in Hawaii could not be made applicable to such carriers or their affiliates. A number of these multi-State carriers are operating under temporary authority, and approximately 30 have applied for authority to operate in Hawaii. The State of Hawaii currently opposes the applications on the grounds

that it has exclusive jurisdiction over *all* Hawaiian motor transportation.

Single-State motor carrier operations.—Effective October 15, 1962, Public Law 87–805 repealed the former so-called second proviso exemption of section 206(a) of the act, under which qualified motor common carriers holding appropriate intrastate authority and operating solely within a single State could also engage in corresponding motor carrier operations in interstate or foreign commerce without obtaining certificates of public convenience and necessity from this Commission. The legislation provided for issuance of "grandfather" certificates of registration to carriers who, on the date of enactment of the statute, were lawfully engaged in operations under the former exemption; and also established a procedure by which single-State motor common carriers seeking new or additional intrastate operating authority may obtain a certificate of registration authorizing concomitant interstate operations. The major change wrought by Public Law 87–805 is that entry into interstate transportation of this type will, in the future, be based upon an affirmative finding by the State that a public need exists for such interstate services.

The Commission received 2,888 "grandfather" applications for certificates of registration by February 12, 1963, the statutory filing deadline. Special rules of practice (49 CFR 1.244) were adopted to govern their handling and disposition. In addition, we issued special rules (49 CFR 1.245) directing the specific procedures to be followed in order to obtain a "non-grandfather" certificate of registration under section 206(a)(6). There has been an initial determination in all but nine of the "grandfather" applications for certificates of registration. Only 50 applications under section 206(a)(6) for *new* certificates of registration were filed during the year. There are indications that carriers prefer to obtain certificates, under section 207, which can be transferred to multi-State carriers.

Special procedure for converting irregular-route to regular-route authority.—Our certificates of public convenience and necessity authorize operations over either regular routes or irregular routes, depending upon the pattern of operations conducted or proposed. There are difficulties in distinguishing between regular- and irregular-route operations, and there is a tendency for operations by irregular-route general-commodity carriers to evolve into regular-route service, through the increasingly frequent transportation of substantial traffic volumes between fixed points. The history of Federal motor carrier regulation includes a number of individual application, investigation, complaint, and other proceedings dealing with the demarcation between these two fundamental types of service. See *Transportation*

Activities, Brady Transfer & Storage Co., 47 M.C.C. 23, and Ex Parte No. MC–55, *Motor Common Carriers of Property—Routes and Service*, 88 M.C.C. 415 (decided December 4, 1961). In an effort to resolve these problems and to make available for a limited period of time, a simplified and expedient procedure whereby irregular-route operations may be brought into harmony with applicable regulatory requirements, we adopted a special procedure for handling applications of carriers wishing to convert from irregular to regular routes. No. MC–C–4366, *Special Rules of Procedure Governing Conversion of Irregular-Route to Regular-Route Motor Carrier Operations* (49 CFR 2a). These rules became effective May 1, 1964, and required that appropriate conversion applications in order to qualify under the rules, be filed on or before March 1, 1965. Approximately 155 applications were filed and several have been disposed of. See, for example, *Midwest Motor Exp., Inc., Ext.—Intermediate Points*, 96 M.C.C. 402. Determination of this group of conversion proceedings will, it is hoped, result in a considerable decrease in future problems arising from the distinction between irregular- and regular-route services.

Auto Driveaway

The Commission has long faced a vexing problem in the transportation of automobiles by persons and organizations claiming to be merely "employment agencies" or "shipping agents." These entities bring together owners who wish their automobiles driven to another part of the country at a lesser charge than is made by authorized carriers, and persons who will drive such cars in order to obtain a low-cost trip. The interpretative problems have been simplified considerably during the past few years, but there remain significant safety problems even in connection with those persons and organizations now performing such operation lawfully under appropriate ICC authority.

Hovercraft

The operation of hovercraft—also called ground effect machines and air cushion vehicles—which move over both land and water on a cushion of air, has been a matter of interest to the Commission and other administrative agencies and Government departments, including the Civil Aeronautics Board, the Federal Maritime Commission, and the Coast Guard. The first application to operate a hovercraft was filed with the Commission October 5, 1964, in No. W–1207, *D.C. Transit System, Inc.* In this proceeding, applicant seeks a certificate to operate such vehicles or craft on the Potomac River.

MERGERS

Railroads

Several new rail merger applications were filed during the year. In Finance Docket No. 23285, the Union Pacific Railroad Co. seeks to merge with the Chicago, Rock Island & Pacific Railroad Co. If it should acquire the Rock Island, Union Pacific would sell a portion of the acquired lines to the Southern Pacific Co. In Finance Docket No. 23595, Southern Pacific seeks authority to acquire Rock Island's line which extends from Santa Rosa, N. Mex., to Kansas City, Mo. Southern Pacific has advised that it will also file an application to acquire motor carrier operating rights of Rock Island Motor Transit Co., Rock Island's subsidiary, which authorize operations over routes in the geographical area served by the rail lines which Southern Pacific proposes to acquire in Finance Docket No. 23595. The Chicago & North Western Railway Co. previously filed an application, in Finance Docket No. 22688, to acquire control of the Chicago, Rock Island & Pacific Railroad Co. Public hearings had not been held by the end of the reporting period. They were to be scheduled as soon as the applicants were prepared to present evidence in support of the proposals.

Because of pending court action on petitions filed by stockholders, hearings were suspended on the proposal to consolidate properties and franchises of the Missouri Pacific Railroad Co., and the Texas & Pacific Railroad Co., into the Texas & Missouri Pacific, Finance Docket No. 22951.

In Finance Docket No. 23388, an application was filed for merger of the Chicago Great Western Railway Co. into Chicago & North Western Railway Co. Hearings have been held.

The Chesapeake & Ohio Railway Co., in Finance Docket No. 23566, seeks control of the Chicago South Shore and South Bend Railroad. Previously, in Finance Docket No. 23141, the C. & O. had filed a complaint against the Monon Railroad for unlawfully acquiring a controlling portion of South Shore. Upon a later complaint by the Monon Railroad, we instituted an investigation on the question of control of the South Shore by the Monon or the Chesapeake & Ohio, Finance Docket No. 23587. The Monon later filed an application, Finance Docket No. 23645, for authority to acquire control of the South Shore.

Hearings were concluded on an application by the Chesapeake & Ohio Railway and the Baltimore & Ohio Railroad for authority to acquire control of the Western Maryland Railway Co., Finance Docket No. 23178.

The examiners' report and recommended order was served March 29, 1965, recommending approval of the Pennsylvania-New York Central merger, Finance Docket No. 21989. The 19,631-mile system would have assets aggregating $5.2 billion. Annual traffic revenues would approximate $1½ billion. The combined lines would operate in 14 States, the District of Columbia, and Canada, and serve most major population centers north of Atlanta between the east coast and the Mississippi River. The recommended order would require the applicants to assume the burden of providing freight service over the lines of the bankrupt New York, New Haven & Hartford Railroad, upon such terms as the Commission may find just and reasonable. It would also leave open the record for 10 years to permit future consideration of the inclusion of the Erie-Lackawanna Railroad, the Boston & Maine, and the Delaware & Hudson, if they are unsuccessful in obtaining inclusion in the Norfolk & Western system. Also recommended were conditions for inclusion of the New York, Susquehanna & Western Railroad, and the granting of trackage rights to the Delaware & Hudson Railroad to provide a physical link with the Norfolk & Western system, in which the Delaware & Hudson sought inclusion. Although the unions, representing most employees to be affected by the merger, and the applicants entered into an agreement for protection of employees adversely affected by the merger, the report recommended protective conditions for those employees who have not agreed with applicants on any specific protective conditions.

An examiner's report recommended that the Great Northern Railway, the Northern Pacific Railway, the Chicago, Burlington & Quincy Railroad, and the Pacific Coast Railroad be permitted to merge into a 25,000-miles system, to be known as the Great Northern Pacific & Burlington Lines, Inc., in Finance Docket No. 21478 et al. The merged carriers (with lease of the Spokane, Portland & Seattle Ry. and other acquisitions) would constitute the largest railroad in the United States, in miles of road operated and in geographical distribution. It would extend from Chicago and Duluth westward to Portland and Seattle and the northwest Canadian border and, through subsidiaries, southward from Denver to Galveston, Tex. The system would have assets of over $2.6 billion and annual revenues in excess of $775 million, the latter being the third largest in the country. Oral argument has been held and the proceeding is under consideration for a final report and order.

On February 16, 1965, we approved the application of the Missouri Pacific Railroad Co. to acquire control of the Chicago & Eastern Illinois Railroad, Finance Docket No. 21755. The transaction would permit the Missouri Pacific to obtain access to the Chicago metropoli-

tan area over its own lines. We conditioned our approval upon good faith negotiations with the Louisville & Nashville Railroad Co., for acquisition of sufficient Chicago & Eastern Illinois trackage to permit operation between Louisville & Nashville's present Evansville, Ind., terminus and Chicago. Concurrently with approval of the Missouri Pacific's application, the Illinois Central Railroad Co.'s request to acquire control of Chicago & Eastern Illinois was denied, Finance Docket No. 21892. We denied petitions for reconsideration filed by several parties to the proceedings. Subsequently, suit was brought against the approval in the District Court for the Northern District of Illinois, where it is pending in civil action No. 65–C–1393, *Illinois Central RR* v. *United States*.

On May 13, 1965, the United States District Court for the Middle District of Florida annulled and set aside the Commission's orders of December 13, 1963, and March 6, 1964, authorizing merger of the Atlantic Coast Line Railroad Co. and the Seaboard Air Line Railroad Co., Finance Docket No. 21215. The district court grounded its decision on the Commission's failure to determine whether the proposed transaction, but for Commission assent, would violate section 7 of the Clayton Act and, incidentally, to delineate the service and geographic markets in which the competitive consequences of the merger need to be assessed. We have filed an appeal from the court's decision with the U.S. Supreme Court.

Appendix B lists the merger applications of large railroads which were pending June 30, 1965. Appendix B also lists proceedings in which authority was granted under section 5(2) for acquisition, control, or joint use of railroads or their property.

Motor Carriers

Motor carrier unification applications aggregated 359, a 15-percent increase over the 314 filed in fiscal 1964. Proceedings disposed of totaled 418, a 52-percent increase over the 275 handled in 1964. A summary of motor carrier unification proceedings is shown in appendix B.

In 1962 Public Law 87–805, which repealed the former exemption contained in the second proviso of section 206(a)(1), authorized the Commission to issue certificates of registration under the circumstances described above in "Single-State motor carrier operations." When the former registration proviso was in force, it had been decided that a multiple-State carrier not qualified to purchase a second proviso operation, as such, could seek approval of the purchase of the properties under section 5, including the interstate operations of a second proviso carrier, provided the purchaser concurrently sought the issuance of a certificate of convenience and necessity under section 207 of the act

as a matter directly related to the section 5 transaction (one application being indispensible to the other). In *T.I.M.E. Freight, Inc.—Merger*, 97 M.C.C. 310, and *Delta Lines, Inc.—Control and Merger*, 97 M.C.C. 411, it was concluded that the amendments to the act covered by Public Law 87–805 permit the Commission to pass on the merits of the sale of single-State, interstate motor carrier operations to multi-State carriers, or the reverse, utilizing the same procedure previously employed under the former second proviso of section 206(a)(1). Certain protestants instituted court tests of these decisions in the United States District Court for the Southern District of California, Central Division, in civil action No. 65–494–WB, *Navajo Freight Lines, Inc., et al.* v. *United States, et al.*, and civil action No. 65–555–WB, *Western Gillette, Inc.* v. *United States.*

In *Alamo Express, Inc., et al.* v. *United States, et al.*, 239 F. Supp. 694 (W.D. Texas-March 20, 1965), the district court sustained our order on reconsideration in *Central Freight Lines, Inc.—Control—Inland Motor*, 93 M.C.C. 411, which granted an application for authority by one motor carrier to control another. The court held that since the act gives the Commission continuing jurisdiction over its orders, none of which had become effective, it was not an abuse of discretion to reopen and reconsider the merits of the controversy in light of a controlling but overlooked exception to the general policy against split-offs of corresponding interstate and intrastate operating rights where the individual applicants had not been responsible for the split-off and the transaction was found to be consistent with the public interest in all other respects. Plaintiffs have filed an appeal to the U.S. Supreme Court.

ABANDONMENTS

Applications for abandonments of rail lines continued generally to involve short and unprofitable lines.

The Washington & Old Dominion Railroad applied for authority to abandon its entire line of railroad (47.89 miles), extending from Alexandria to Purcellville, Va., Finance Docket No. 23492. Public hearings have been completed. Hearings also were concluded on a consolidated record on the proposal, in Finance Docket No. 22917, of the railroad-owned Mackinac Transportation Co. to abandon its entire line of railroad across the Straits of Mackinac; on applications filed by the Michigan Central and New York Central in Finance Docket No. 22933 for authority to abandon 63 miles of railroad from Gaylord, Mich., to the Straits, and by the Pennsylvania Railroad, in Finance Docket No. 22990, for authority to abandon 223.6 miles of railroad in Michigan extending from the Straits. An examiner's report recommending denial of the applications was issued on October 1, 1965, find-

ing that no appreciable advantages to either shippers or the railroads would result from abandonment.

Data on abandonment, construction, acquisition, and operation applications handled during the year are shown in appendix B.

FREIGHT CAR SUPPLY

Car shortages during the fiscal year of 1965 occurred with greater frequency and severity. Deficiencies were not confined to boxcars, but included flatcars, gondolas, and open hopper cars, particularly during March through May. This period saw a heavy movement of traffic to and from the steel mills in anticipation of work stoppages in that industry, and a heavy demand for movement of road construction materials and farm implements.

We tried to alleviate the impact of car shortages in particular areas by issuing car service orders, but service orders do not produce cars. They simply require all shippers and carriers to share in the freight car poverty. Freight car ownership declined by 10,835 from 1,558,142 at the beginning of the year to 1,547,307 at year end. There were 67,826 new cars placed in service during the year, a greater number than has been installed in either of the 2 prior years. Despite the impressive car acquisition programs, the 78,661 cars retired could not be offset. There were net gains only in specialized equipment.

Although car ownership decreased, total car capacity increased because of the trend toward larger capacity freight cars. Average car capacity as of January 1, 1965, was 58.18 tons compared with 56.94 tons as of January 1, 1964, and 56.31 tons January 1, 1963. Load per car, measured by net ton-miles per loaded car-mile, averaged 38.3 tons in 1964, an increase of more than 1 ton over 1963, and nearly 7 tons over the corresponding average 10 years earlier.

Reflecting increased use of heavier capacity or special purpose cars in one-way service, the loaded percentage of total car-miles showed a further decline in 1964, to a new low of 60.6 percent. The previous all-time low for this average was 60.7 in the depression year of 1932.

It is noteworthy that while the number of railroad owned cars has declined steadily since World War II, private car lines have increased their fleets and their share of the Nation's expanding freight tonnages. Private car lines have close to 300,000 refrigerator cars, covered hoppers, tank cars, auto rack cars, piggyback flatcars, and other rolling stock in service. Railroad owned or controlled car lines account for about a third of this number. The private car fleet is estimated as 17 percent of all the cars operating on U.S. railroads. The frequent use of private cars for one-way operations may also affect the proportionate decline of loaded car-miles noted above.

Ex Parte No. 241

We continued our investigation of the freight car shortage problem in Ex Parte No. 241. We hope by his proceeding to determine the number of cars which each railroad should own as its share of an adequate national freight car supply. On July 29, 1964, by a second order in the investigation, we broadened the preceeding for the purpose of obtaining detailed and precise information on all phases of freight car ownership, utilization, distribution, rules, and practices which in any manner contribute to or offset the chronic freight car shortage problem.

Demurrage and Per Diem

The increased demurrage charges adopted by the carriers effective July 1, 1964, have encouraged faster loading and unloading, and helped ease shortages to some extent. Our policy has been to encourage the industry to set its own rates of compensation (per diem) between carriers for exchange and use of freight train cars. For a number of years, per diem cars moved on a flat rate of $2.88 per day, applicable to all cars. A multilevel system of per diem charges issued by the Association of American Railroads, effective January 1, 1964, provided a graduated scale ranging from $2.16 to $7.74, depending on the value of the car. This scale was modified effective April 1, 1965, with respect to the more expensive cars, so that the upper limit of the scale became $12.18.

The Commission again renewed its recommendation (app. C) to Congress for legislation which would permit it to use per diem rates to encourage acquisition and maintenance of an adequate national freight car supply and promotion of efficiency in the utilization of freight cars. (See Legislative Activities chapter.)

FINANCE AND ACCOUNTS

Our day-to-day responsibilities over important aspects of carrier financial activity require the constant attention of the Commission and its staff. The number of applications received annually from carriers seeking authority to issue securities has increased. Meanwhile, the trend noted in our earlier reports toward investment diversification by carriers and their affiliates shows no signs of slackening. Much of our work in the area of accounts continues to be devoted to review programs designed to insure that modern policies and standards govern the Commission's accounting requirements.

Highlights

Two noteworthy cases growing out of the continuing diversification trend involved Pennsylvania Co., Pennsylvania Railroad's noncarrier subsidiary holding company, and Greyhound Corp., also a noncarrier holding company. In both instances we approved stock issuances underlying diversified investment programs by the involved companies.

Final disbursements were made in the rail loan guaranty program. Although the program terminated on June 30, 1963, we have continued to discharge responsibilities in connection with applications pending on that date and guaranties made prior to it.

The first phase of our current review of rail property accounts was completed.

Despite further increases in our pipeline valuation work we were able to reduce the industry's paperwork burden by modifying its reporting requirements.

We established a Depreciation Branch charged with reviewing and analyzing our depreciation policies in light of changes in carrier property characteristics.

DIVERSIFICATION

The trend toward diversification of investments by carriers and noncarrier corporations affiliated with carriers continued during the year. In Finance Docket No. 23019, *Pennsylvania Co. Stock*, decided July

13, 1964, a noncarrier subsidiary holding company of the Pennsylvania Railroad was granted authority to issue shares of capital stock in exchange for common stock of Buckeye Pipe Line Co., engaged in the transportation of petroleum in eight States over lines substantially paralleling the lines of the railroad. In Finance Docket No. 23580, we authorized the Greyhound Corporation, a noncarrier holding company, to issue capital stock in exchange for the capital stock of Travelers Express Company, Inc., which is engaged in the business of selling money orders.

Some carriers and carrier affiliated noncarrier corporations have also made investments in noncarrier corporations without issuing securities requiring our prior approval. These include the agreement between the Pennsylvania Railroad and the Macco Realty Co., in California, for acquisition of the latter by the former; also the Pennsylvania's control of the Arvida Corp., a Florida real estate development company and the Great Southwest Corp., a Texas owner and operator of industrial properties and other real estate.

The Chicago & North Western Railway Co. acquired control of Velsicol Chemical Corporation of Chicago and, together with that corporation, arranged to acquire controlling interest in the Michigan Chemical Corp.

Transcontinental Bus Systems, Inc., recently organized a subsidiary to sell insurance to passengers of its subsidiary, Continental Trailways.

SECURITIES

The 164 security applications filed by railroads and motor carriers under sections 20a and 214 showed a slight increase over the 152 filed last year.

In Finance Docket No. 23293, *Boston & Maine Corporation Bonds Modification*, the Commission authorized the modification of its first-mortgage bonds under section 20b of the act. The Commission's decision has been appealed to the United States District Court for the District of Massachusetts, civil action No. 65–504–J, *Moss, Roberts & Company* v. *United States*, it being contended that bondholders of a particular series of first-mortgage bonds had to be treated separately for the purpose of securing their assent to the modification.

In Finance Docket No. 23324, *Railway Express Agency, Inc., Stock*, decided March 15, 1965, Division 3 authorized that carrier to issue and sell approximately 20 percent of its authorized capital stock to Greyhound Corp., which in 1963 became a noncarrier holding company with diversified interests. The division found that Railway Express urgently needed the $10 million it would realize from the sale for purposes of capital improvements. On August 11, 1965, the

entire Commission affirmed the Division order. We have stayed the effective date of the order pending the outcome of a court action instituted against it in the United States District Court for the District of Colorado, entitled *The Denver and Rio Grande Western Railroad Co., et al.*, v. *United States and ICC*, civil action No. 9205.

LOAN GUARANTY

On November 6, 1964, the $3 million deferred portion of the application of the Central Railroad of New Jersey, mentioned in our last annual report, was granted. With this action, all applications pending at the termination of our loan guranty program, June 30, 1963, have been disposed of. As noted in our last report, the provisions of part V terminated on that date, except with respect to applications then pending and guaranties previously made. Appendix E of our last report showed that certain of the guaranteed loans had not been fully disbursed. In March 1965, at the request of the trustees of the New York, New Haven & Hartford Railroad Co., the lender disbursed the $4.5 million balance of the $12.5 million loan guaranty authorized for the trustees in December 1961. A scheduled disbursement of a $10 million portion of the $30 million loan guaranty of the Reading Co. was made in July 1964, and the remaining $5 million portion was disbursed July 1, 1965. The lender in the Pittsburgh & West Virginia Railway Co. loans advised us that, upon request of the railroad, the commitment on the remaining $1.4 million undisbursed portion of the loans terminated October 31, 1964. Accordingly, no further disbursements will be made. Table 6 of appendix B shows the number of applications approved, the total amount guaranteed, and the unpaid balance of principal as of June 30, 1965.

CARRIER ACCOUNTING

Under our policy of prescribing accounting rules leading to more meaningful measures of carrier financial condition, we recently undertook a review of railroad property accounts. These accounts in most cases reflected historical cost figures unsupported by appropriate documents or other records. For our review we required a major adjustment in which cost of property shown in our valuation records was substituted for historical costs in the accounts. This assures a more realistic statement of cost of property used in transportation service. It also reduces the cost to Government and industry of accounting and valuation recordkeeping, and minimizes paperwork that otherwise would be necessary. The initial phase of this project, which was explained in detail in our 77th and 78th Annual Reports, now has

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been completed. We are currently establishing methods and procedures to eliminate the excess of adjusted historical costs over costs shown in the valuation records. Our field auditors are verifying the entries recorded in the accounts. Before new rules are adopted, carriers, the public, members of the accounting profession, and other interested parties are being given opportunity to submit their views and comments.

PIPELINES

Expansion of old pipeline facilities and the construction of new ones throughout the United States have brought considerable increases in our pipeline valuation work. After consulting with the industry, we modified our reporting requirements regarding annual property changes. This has resulted in substantial paperwork savings for the pipelines.

DEPRECIATION

One of the Commission's accounting responsibilities is to prescribe the class of property for which depreciation charges may be included in carrier operating expenses and the rate of depreciation to be used in connection therewith. The development and use of new types of carrier property necessitate continuing comprehensive review of the Commission's depreciation policies. For this purpose, we established a Depreciation Branch in the Bureau of Accounts. In reviewing and analyzing property and equipment patterns for railroads, pipelines, and water carriers, we are giving particular attention to the results of recent technical service life studies.

PRODUCTIVITY AND LABOR

The Nation's continuing economic progress, marked by the attainment of record high levels in gross national product and national income, has brought new vigor to our transportation system. Through a combination of technological innovation, increased traffic and revenues, more sophisticated control of costs and operations, and stabilized labor relations, America's system of carrier facilities is in better overall condition today than at any point in our Nation's past history. To be sure, weaknesses still exist in some elements of the system, and the following chapter and appendix H detail them as fully as its strengths. Taken on balance, however, we find real encouragement in the current condition, assesed in this and other chapters, of the national transportation system.

Highlights

Total ton-miles for all modes, including private and public transportation, surpassed their 1963 totals, and all modes achieved new highs with the exception of the railroads, which had their highest total since 1945.

Federally regulated intercity ton-miles expanded at an annual rate of 5 percent over the record of 1 trillion ton-miles set in 1963. Regulated traffic now represents over 60 percent of all intercity ton-miles, and the share is increasing.

Total revenues of the carriers we regulate reached an alltime high in 1964 of $21.8 billion, an increase of 4.91 percent over 1963.

The general financial condition of all modes continued to improve significantly as a result of national economic expansion and substantial decreases in Federal income tax payments.

In general, the year 1964 proved to be the best experienced by the railroad industry since 1957. Freight ton-miles hit a peacetime high. Despite declining passenger revenues, total revenues advanced 3.3 percent to $10,252 million. A similar revenue increase was reported for the first 6 months of 1965. Net income was $698.2 million, an increase of 7.1 percent of the previous year. The eastern district,

excluding the Pocohantas region, was responsible for the major portion of the gains in net railway operating income and net income. Capital expenditures for roadway and equipment was the highest since 1945. The industry's rate of return on elements of value after depreciation and amortization was 3.12 percent in 1964, higher than in any year since 1957, and net income rose. Rail employment declines continued, but 1964 wage contracts raised rates for remaining workers. Industry-labor relations improved.

Motor carriers of freight recorded new increases in revenues and ton-miles of activity. Their net income and rates of return advanced markedly over the consistently high levels which have characterized the industry over recent years. Increased demand for service has been translated into increased expenditures for equipment and plant. Industry employment levels have climbed.

Motorbus operators continued to register gains in revenues, net income, and employment. They strengthened their competitive standing by improving equipment and service. Increased intercity, charter, and special services are offsetting industry losses in local and suburban markets. Movement of small shipments by bus is growing. The industry's rate of return has exceeded even that of motor carriers of freight.

Inland and coastal water carriers still exhibit the wide fluctuations in revenues, net income, and employment which have marked their operations for a decade. Total operating revenues dropped slightly in 1964 and continued to decline during the first 6 months of 1965. Net income and the carriers rate of return, however, have continued to improve.

Oil pipeline companies regulated by the Commission have increased their average revenue per carrier by roughly one-sixth during the past decade. Despite a 14.6-percent rise in operating expenses they have improved their net income position. Higher expenses also have caused a significant increase in their operating ratios and declines in net operating revenues and rate of return. This growing group of companies has increased investment in transportation property—added facilities and automated equipment—by about 50 percent in 10 years. Its employment levels have steadily dropped for the same period.

Freight forwarder operating revenues have increased annually, without significant change in number of companies. Net income and operating ratios, however, show marked fluctuation. Net income

April 15, 1966.

ERRATA SHEET

79th Annual Report, Interstate Commerce Commission, 1965

Tables 36, 37, 39, 40, 43, 44, 46, and 47 on pages 162 through 166 of the 79th Annual Report of the Interstate Commerce Commission (1965) have been revised.

Unappropriated surplus was inadvertently not included in the columns headed "Shareholders' and proprietors' equity" in these tables. Instead, the columns headed "All other liabilities" in tables 36, 39, 44, and 46 had erroneously included this surplus. The appropriate corrections have been made in the attached tables.

In addition, tables 43 and 44 have been revised to exclude the shareholders' and proprietors' equity of the Greyhound Line Divisions in those cases where this equity was not determinable. Moreover, for comparative purposes, the net income of the Greyhound Divisions is not included in table 43 in the column headed "Net income" for the years these Divisions did not report the shareholders' equity.

Appropriate changes have been made in the narrative appearing on pages 56, 64, 65, and 66 to give effect to the revisions made in the tables listed above. These changes have been incorporated in the narrative pages that are attached.

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Freight forwarder operating revenues have increased annually, without significant change in number of companies. Net income and operating ratios, however, show marked fluctuation. Net income

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that the increase for road and equipment combined in 1965 may be about 12 percent over 1964. The influence of these expenditures in 1964 was an increase of 21 percent in long-term debt.

Electric Railways

The long-time downward trend in revenues of electric railways continued through 1964, but a greater decrease in operating expenses reduced the operating ratio from 90.62 percent in 1963 to 89.20 percent in 1964. For the second year in succession, after 4 years of losses, electric railways as a group reported net income.

Private Car Owners

Results of operations of the seven refrigerator-car lines owned or controlled by railroads improved in 1964 over the preceding year. Operating revenues increased by 7.6 percent and the operating ratio decreased from 73.75 percent in 1963 to 70.77 percent in 1964. Carline operating income rose 19.9 percent and net income increased 16.3 percent. The ratio of carline operating income before income taxes to net investment in transportation property plus working capital was 8.71 percent in 1964, compared with 7.47 percent in 1963, and the ratio of net income to shareholders' equity was 7.48 percent compared with 6.71 percent in 1963.

Refrigerator and petroleum cars of non-railroad-controlled private-car owners of 10 or more cars decreased in number during 1964. All other types of cars increased, with the result that the entire fleet was greater by 4.3 percent. Miles operated by cars of these owners increased 2.7 percent and revenues receivable were up 13.9 percent.

Motor Carriers of Property

As indicated at page 57, operating revenues of motor carriers of property increased by 7.10 percent in 1964 over 1963. The revenues of class I intercity carriers improved by 7.7 percent. For these carriers, all types of revenues except intercity contract were higher; the decrease for the exception was 5.6 percent. The operating ratio declined to 95.46 percent in 1964 from 95.90 the year earlier. Net carrier operating income for the group was higher by 19.5 percent. There was an increase of 9.4 percent in net carrier operating property plus working capital. The rate of return from transportation services was 20.22 percent compared with 18.53 percent in 1963. The increase in net income was 24.5 percent as against an increase of 10.2 percent in shareholders' and proprietors' equity. The ratio of net income to

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shareholders' and properietors' equity in 1964 was 13.63 percent; it was 12.06 percent in 1963.

Revenues of class I local motor carriers of property were up by 18.4 percent in 1964 over 1963. Expenses did not proportionately increase to the same extent, with the result that the operating ratio decreased from 96.82 percent to 95.90 percent. Net carrier operating income made a gain of 52.6 percent, and the ratio of this item to net investment in transportation property plus working capital went to 14.27 percent in 1964 from 11.22 percent in 1963. The ratio of net income to shareholders' and proprietors' equity was 13.76 percent compared with 12.61 percent in 1963.

Motor Carriers of Passengers

While operating revenues of class I intercity motor carriers of passengers reached another successive peak in 1964, the increase in these carriers' operating expenses was slightly greater proportionately, with the result that the operating ratio increased slightly. Operating revenues of $655.1 million were 7.4 percent above those of 1963. Passenger revenues from intercity schedules increased by $23.0 million or 5.5 percent. Absolute and percentage increases in passenger revenues from local and suburban schedules were relatively small. The increase in passenger revenues from charter or special services was 25 percent above the preceding year. Other operating revenues, mainly from handling baggage and small shipments, increased by $8.8 million, or 14.3 percent.

The increase of 7.7 percent in operating expenses, combined with the 7.4-percent increase in operating revenues, increased the operating ratio from 86.76 to 87.03 percent. Net carrier operating income totaled $84.9 million, or 5.2 percent higher than in 1963. Net income increased 9.9 percent to $52.4 million, aided by a decrease in income taxes of $1.5 million. This decrease in income taxes was equivalent to 4.5 percent of such taxes in 1963.

While net carrier operating income increased 5.2 percent, as mentioned above, net investment in transportation property plus working capital went up 8.8 percent. As a result, the rate of return on this base decreased from 27.80 to 26.89 percent. The ratio of net income to shareholders' and proprietors' equity, excluding certain divisions of Greyhound Lines, Inc., for which data are incompatible, shows a decrease from 12.32 in 1963 to 12.07 in 1964.

Preliminary information for the first half of 1965 indicates an increase of 5.1 percent in operating revenues over the same months of 1964, and an increase from 84.35 to 85.36 percent in the operating ratio. However, net income increased to $16.6 million, or 6.0 percent.

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Detailed data are not available from which to determine the cause of the increase in net income.

Upon a moderate improvement in the relationship of revenues and operating expenses in 1964, net results for class I local motor carriers of passengers increased sharply. Operating revenues were up 11.5 percent to $72.0 million over the preceding year, and with an increase of 9.2 percent in operating expenses, the operating ratio improved to 94.50 from 96.46 percent. Net carrier operating income improved for the third year in succession, the change from the prior year being 73.1 percent, and net income, following the same trend, was higher by 74.9 percent. The ratio of net carrier operating income to net investment in transportation property plus working capital was 14.80 percent, up from 10.12 percent in 1963, and the ratio of net income to shareholders' and proprietors' equity reached 14.41 percent, as against 8.94 percent in 1963.

Further improvement took place in the first 6 months of 1965.[7] Operating revenues were higher by 5.4 percent but the operating ratio increased to 97.26 from 92.97 percent, when compared with January–June 1964. During the 1965 period, net income increased by almost 430 percent. However, comparison of net income for the first 6 months of 1964 with net income for the entire year indicates that accounting technicalities may have held down the net for the first half of 1964.

Water Carriers

Total waterline operating revenues of classes A and B carriers by inland and coastal waterways decreased by 0.1 percent in 1964. This resulted from a decrease of 2.4 percent in line-service operating revenues, despite increases of 5.9 percent in "other operating revenue" and 3.4 percent in terminal operations revenue. Operating expenses decreased 1.3 percent with the result that the operating ratio improved from 87.49 percent in 1963 to 86.42 percent in 1964. Net revenue from waterline operations rose 8.5 percent. Net income, representing carrier and noncarrier operations, increased by 48.8 percent. The rate of return from carrier operations on net investment in transportation property plus working capital was 13.38 percent, compared with 13.15 percent in 1963, and the ratio of net income to shareholders' equity improved from 9.47 percent in 1963 to 13.40 percent in 1964.

Preliminary reports for the first 6 months of 1965 indicate a decrease of 3.2 percent in freight operating revenues and an increase of 1.4 percent in passenger operating revenues when compared with the same period of 1964.

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[7] Based on incomplete preliminary data.

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TABLE 34.—*Operating revenues of class I intercity motor carriers of property, 1955–64*

Year ended Dec. 31—	Number of carriers represented	Operating revenues					
		Freight, intercity, common	Freight, intercity, contract	Freight, local	Transportation for other class I and II motor carriers	Other	Total
1955	2,244	$3,621,933,197	$294,443,889	$47,865,450	$37,879,128	$28,168,959	$4,030,290,623
1956	2,293	3,877,748,170	292,434,771	52,246,192	34,132,395	33,608,643	4,290,170,171
1957 [1]	837	3,564,135,633	176,463,724	41,390,632	25,921,273	27,712,720	3,835,623,982
1958	866	3,581,070,381	167,611,233	37,994,649	31,043,416	33,585,450	3,851,305,129
1959	890	4,261,388,069	202,372,796	44,233,742	45,855,624	36,461,897	4,590,312,128
1960	935	4,384,108,648	238,583,060	50,657,948	47,797,294	42,141,074	4,763,288,024
1961	972	4,583,203,216	183,338,169	52,436,172	46,641,618	42,827,530	4,908,446,705
1962	1,004	5,071,596,939	210,255,010	62,420,482	40,371,191	43,711,696	5,428,355,318
1963	1,004	5,388,416,804	212,452,389	67,692,483	42,691,909	45,137,687	5,756,391,272
1964	1,025	5,835,182,322	200,585,024	72,293,856	43,530,199	47,873,296	6,199,464,697

[1] Effective Jan. 1, 1957, the revenue qualification of a class I carrier was increased from average annual gross operating revenues of $200,000 to $1,000,000.

TABLE 35.—*Expenses, income, and employment of class I intercity motor carriers of property, 1955–64*

Year ended Dec. 31—	Operating expenses	Operating ratio	Income taxes [1]	Net income	Employees	
					Average number	Compensation
		Percent				
1955	$3,869,852,016	96.02	$63,483,675	$82,213,340	332,188	$1,690,207,740
1956	4,140,765,451	96.52	52,756,758	76,727,404	345,251	1,830,027,569
1957 [2]	3,702,311,610	96.52	48,877,288	62,417,991	296,032	1,665,588,360
1958	3,723,222,303	96.67	48,661,518	54,342,866	286,175	1,687,843,696
1959	4,391,553,404	95.67	75,619,226	91,937,429	317,606	1,999,922,882
1960	4,644,706,880	97.51	43,923,546	37,110,339	326,626	2,103,053,578
1961	4,717,566,285	96.11	72,010,216	83,767,584	323,508	2,137,999,162
1962	5,204,289,346	95.87	72,142,178	111,884,504	343,215	2,378,857,960
1963	5,520,248,782	95.90	74,547,281	121,724,524	351,104	2,545,847,548
1964	5,917,875,924	95.46	88,157,582	151,572,124	364,930	2,754,093,286

[1] Does not include income taxes of sole proprietorships, partnerships, and corporations that have elected to be taxed under section 1372(a) of the Internal Revenue Code.
[2] Effective Jan. 1, 1957, the revenue qualifications of a class I carrier was increased from average annual gross operating revenues of $200,000 to $1,000,000.

TABLE 36.—*Selected balance sheet items, class I intercity motor carriers of property, 1955–64 (Rev.)*

Year ended Dec. 31—	Current assets	Net investment in transportation property	All other assets	Current liabilities [1]	Long-term debt	All other liabilities	Shareholder's and proprietor's equity
1955	$602,462,412	$779,873,952	$139,978,362	$424,850,260	$423,026,108	$31,890,775	$642,547,583
1956	653,202,170	889,854,213	162,182,867	444,812,398	528,834,434	36,778,196	694,814,222
1957 [2]	559,116,858	783,089,330	147,355,479	379,791,049	477,541,258	34,910,562	597,318,798
1958	604,463,555	794,582,694	174,182,965	561,061,512	338,557,662	31,565,255	642,044,785
1959	694,482,371	920,615,661	200,442,903	643,699,535	405,678,141	33,601,672	732,561,587
1960	686,264,344	994,213,875	237,658,376	664,042,798	467,341,489	34,663,554	752,088,754
1961	779,275,106	996,404,936	262,355,710	715,143,182	465,369,866	36,224,842	821,297,862
1962	826,309,390	1,089,634,162	306,228,960	760,171,960	509,407,622	47,261,622	905,331,308
1963	883,082,595	1,181,291,337	346,356,307	798,199,730	564,252,018	39,037,285	1,009,241,206
1964	972,086,230	1,275,197,668	374,974,634	861,748,509	612,696,893	35,955,830	1,111,857,300

[1] Include long-term debt due within 1 year in 1958–64. This item included in long-term debt in prior years.
[2] Effective Jan. 1, 1957, the revenue qualification of a class I carrier was increased from average annual gross operating revenues of $200,000 to $1,000,000.

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TABLE 37.—*Net carrier operating income, net income, and rate of return, class I intercity motor carriers of property, 1955–64 (Rev.)*

Year ended Dec. 31—	Net investment in transportation property plus working capital	Net carrier operating income	Ratio of net carrier operating income to net investment in transportation property plus working capital	Shareholders' and proprietors' equity	Net income	Ratio of net income to shareholders' and proprietors' equity
			Percent			*Percent*
1955	$957,486,104	$159,460,092	16.65	$642,547,583	$82,213,340	12.79
1956	1,098,243,985	148,841,963	13.55	694,814,222	76,727,404	11.04
1957 [1]	962,415,139	132,584,761	13.78	597,318,798	62,417,991	10.45
1958	837,984,737	127,353,202	15.20	642,044,785	54,342,866	8.46
1959	971,398,497	196,970,803	20.28	732,561,587	91,937,429	12.55
1960	1,016,435,421	117,231,299	11.53	752,088,754	37,110,339	4.93
1961	1,060,536,860	189,079,248	17.83	821,297,862	83,767,584	10.20
1962	1,155,771,592	222,186,641	19.22	905,331,308	111,884,504	12.36
1963	1,266,174,202	234,563,508	18.53	1,009,241,206	121,724,524	12.06
1964	1,385,535,389	280,203,751	20.22	1,111,857,300	151,572,124	13.63

[1] Effective Jan. 1, 1957, the revenue qualification of a class I carrier was increased from average annual gross operating revenue of $200,000 to $1,000,000.

TABLE 38.—*Revenues, expenses, net income, and employment of class I local motor carriers of property, 1955–64*

Year ended Dec. 31—	Number of carriers represented	Operating revenues	Operating expenses	Operating ratio	Income taxes [1]	Net income	Employees: Average number	Employees: Compensation
				Percent				
1955	490	$356,555,826	$344,756,597	96.69	$6,432,878	$11,710,768	41,902	$208,652,639
1956	505	397,299,321	387,000,009	97.41	5,701,521	10,619,654	45,488	233,418,105
1957 [2]	75	210,595,762	204,575,363	97.14	3,047,345	5,366,446	22,337	126,557,802
1958	89	250,226,268	244,676,454	97.78	3,353,282	4,904,403	25,697	148,289,473
1959	88	274,727,871	267,800,428	97.48	4,327,149	5,182,206	26,319	163,498,242
1960	94	310,673,381	303,830,516	97.80	3,843,155	5,525,153	29,487	190,228,888
1961	102	388,318,067	376,811,267	97.04	6,343,688	7,540,202	35,393	233,103,901
1962	104	412,866,496	400,316,892	96.96	5,820,331	8,809,831	36,176	245,922,155
1963	108	458,418,006	443,822,720	96.82	3,525,928	13,958,152	38,711	275,128,337
1964	115	542,785,145	520,505,420	95.90	6,640,807	17,993,872	44,102	323,804,063

[1] Does not include income taxes of sole proprietorships, partnerships, and corporations that have elected to be taxed under section 1372(a) of the Internal Revenue Code.
[2] Effective Jan. 1, 1957, the revenue qualification of a class I carrier was increased from average annual gross operating revenues of $200,000 to $1,000,000.

TABLE 39.—*Selected balance sheet items, class I local motor carriers of property, 1955–64 (Rev.)*

Year ended Dec. 31—	Current assets	Net investment in transportation property	All other assets	Current liabilities [1]	Long-term debt	All other liabilities	Shareholders' and proprietors' equity
1955	$76,942,409	$65,754,242	$42,425,756	$46,084,806	$30,973,244	$3,646,364	$104,417,993
1956	82,449,560	76,414,447	45,563,747	49,347,036	40,710,422	3,274,498	111,095,798
1957 [2]	41,204,959	39,209,469	22,005,467	23,866,564	16,861,307	2,866,471	58,825,553
1958	51,599,783	50,257,237	22,345,785	32,521,371	14,173,513	3,635,529	73,872,392
1959	53,002,570	56,042,076	24,440,932	37,642,841	16,365,350	3,884,690	75,592,697
1960	65,593,976	77,428,076	27,952,416	44,550,780	31,687,212	5,309,398	89,427,078
1961	79,064,233	87,244,150	34,016,600	53,404,004	43,603,261	5,583,979	97,733,739
1962	79,407,856	99,173,890	38,795,159	57,461,687	50,708,406	6,475,915	102,730,897
1963	84,209,327	111,666,135	41,038,420	65,832,675	57,392,875	3,034,279	110,654,053
1964	97,530,988	132,620,376	44,584,714	74,138,773	66,397,719	3,435,444	130,764,142

[1] Includes long-term debt due within 1 year in 1958–64. This item included in long-term debt in prior years.
[2] Effective Jan. 1, 1957, the revenue qualificatoin of a class I carrier was increased from average annual gross operating revenues of $200,000 to $1,000,000.

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TABLE 46.—*Selected balance sheet items, class I local motor carriers of passengers, 1955–64* (Rev.)

Year ended Dec. 31—	Current assets	Net investment in transportation property	All other assets	Current liabilities [1]	Long-term debt	All other liabilities	Shareholders' and proprietors' equity
1955	$18, 011, 400	$48, 771, 622	$20, 326, 412	$12, 588, 081	$10, 909, 352	$7, 657, 807	$55, 954, 194
1956	18, 415, 121	48, 056, 467	17, 399, 281	10, 421, 272	10, 709, 988	7, 690, 375	55, 049, 234
1957	18, 335, 251	46, 609, 640	17, 747, 718	10, 299, 810	12, 045, 612	7, 360, 979	52, 986, 208
1958	18, 482, 452	49, 818, 663	16, 948, 691	13, 494, 522	10, 396, 941	6, 967, 631	54, 390, 712
1959	22, 709, 932	45, 380, 264	15, 304, 242	13, 663, 072	8, 852, 668	6, 796, 200	54, 082, 498
1960	17, 892, 330	51, 841, 223	15, 777, 837	14, 218, 411	9, 492, 037	5, 497, 097	56, 303, 845
1961	17, 006, 278	55, 804, 947	14, 453, 806	14, 567, 901	10, 074, 862	6, 211, 609	56, 410, 659
1962	9, 464, 111	24, 099, 548	11, 168, 896	11, 217, 506	9, 420, 909	1, 911, 838	22, 182, 302
1963	9, 977, 900	22, 864, 576	11, 292, 871	10, 891, 681	8, 711, 194	2, 320, 583	22, 211, 889
1964	11, 073, 358	27, 317, 282	11, 393, 756	12, 395, 216	10, 927, 561	2, 353, 105	24, 108, 514

[1] Includes long-term debt due within 1 year in 1958–64. This item included in long-term debt in prior years.

TABLE 47.—*Net carrier operating income, net income, and rate of return, class I local motor carriers of passengers, 1955–64* (Rev.)

Year ended Dec. 31—	Net investment in transportation property plus working capital	Net carrier operating income	Ratio of net carrier operating income to net investment in transportation property plus working capital	Shareholders' and proprietors' equity	Net income	Ratio of net income to shareholders' and proprietors' equity
			Percent			*Percent*
1955	$54, 194, 941	$1, 560, 710	2. 88	$55, 954, 194	$375, 139	0. 67
1956	56, 050, 316	3, 968, 999	7. 08	55, 049, 234	2, 788, 013	5. 06
1957	54, 645, 081	3, 481, 630	6. 37	52, 986, 208	2, 412, 586	4. 55
1958	54, 806, 593	1, 358, 825	2. 48	54, 390, 712	432, 394	0. 79
1959	54, 427, 124	3, 775, 454	6. 94	54, 082, 498	3, 396, 226	6. 28
1960	55, 515, 142	4, 280, 357	7. 71	56, 303, 845	2, 735, 455	4. 86
1961	58, 243, 324	3, 467, 982	5. 95	56, 410, 659	2, 547, 255	4. 52
1962	22, 346, 153	2, 156, 790	9. 65	22, 182, 302	1, 939, 860	8. 75
1963	21, 950, 795	2, 222, 384	10. 12	22, 211, 889	1, 986, 392	8. 94
1964	25, 995, 424	3, 847, 587	14. 80	24, 108, 514	3, 474, 069	14. 41

TABLE 48.—*Revenues of classes A and B carriers by inland and coastal waterways, 1955–65*

Year ended Dec. 31—	Number of companies represented	Line-service operating revenues			Other operating revenue	Revenue from terminal operations	Total waterline operating revenues
		Freight	Passenger	Total			
1955	120	$181, 673, 395	$9, 150, 208	$199, 447, 439	$2, 672, 175	$16, 669, 937	$226, 195, 564
1956	113	188, 170, 991	8, 961, 475	206, 418, 028	1, 596, 697	17, 997, 311	235, 161, 254
1957	118	203, 559, 142	9, 943, 322	222, 253, 525	2, 075, 599	18, 843, 749	254, 019, 985
1958	107	184, 832, 196	8, 672, 126	205, 449, 175	1, 960, 643	17, 282, 964	233, 445, 592
1959	108	191, 652, 002	8, 456, 973	212, 858, 861	2, 282, 190	17, 997, 014	246, 514, 300
1960	105	195, 225, 405	8, 277, 704	219, 378, 402	2, 586, 707	19, 624, 116	255, 416, 319
1961	99	184, 375, 902	7, 970, 797	208, 105, 642	3, 135, 328	20, 167, 666	246, 196, 307
1962	95	185, 205, 743	9, 170, 957	212, 660, 189	3, 115, 221	20, 834, 015	252, 455, 942
1963	93	193, 682, 005	7, 372, 856	216, 502, 107	2, 867, 611	20, 755, 364	258, 054, 537
1964	89	185, 618, 591	7, 738, 197	211, 205, 882	3, 035, 749	21, 469, 871	257, 857, 482
January–June 1964	88	120, 026, 658	2, 206, 463	-----	-----	-----	-----
January–June 1965	88	116, 175, 190	2, 237, 774	-----	-----	-----	-----

for the first six months of 1965 should erase declines experienced in 1964. Employment levels generally have declined.

Refrigerated-car lines owned or controlled by railroads have experienced lower operating ratios and favorable improvements in their net income and rates of return. Private-car companies, in general, reported greater revenues.

TRAFFIC AND EARNINGS

Total revenues of carriers regulated by the Commission reached consecutive new highs in fiscal 1964, calendar 1964, and fiscal 1965, reflecting the progressively increasing level of national economic activity during these periods. The revenues surpassed $21 billion for the first time in fiscal 1964, approached $22 billion in calendar 1964, and exceeded $22 billion in fiscal 1965. As shown by the following table, however, not all regulated modes enjoyed revenue increases.[2]

Operating revenues [1]

	Year ended Dec. 31, 1963	Year ended Dec. 31, 1964		Year ended June 30, 1964	Year ended June 30, 1965	
		Amount	Percentage change from calendar year 1963		Amount	Percentage change from fiscal year 1964
	Thousands	*Thousands*		*Thousands*	*Thousands*	
Railroads [2]	$9,921,477	$10,251,732	+3.33	$10,055,273	$10,377,121	+3.20
Railway Express [3]	274,515	298,354	+8.68	280,612	304,059	+8.36
Pullman Co	43,421	39,367	−9.34	40,721	36,492	−10.39
Waterlines [4]	395,302	405,032	+2.46	401,613	398,436	−0.79
Pipelines (oil)	840,260	865,079	+2.95	845,090	885,508	+4.78
Motor carriers of passengers [5]	758,904	802,064	+5.69	778,804	840,803	+7.96
Motor carriers of property	8,548,257	9,154,776	+7.10	8,915,249	9,690,597	+8.70
Grand total [6]	20,782,136	21,816,404	+4.91	21,317,362	22,533,815	+5.71

[1] Partly estimated. Variations in totals are the result of rounding.
[2] Includes line-haul and switching and terminal companies; Alaskan and Hawaiian companies included.
[3] After deducting payments to others for express privileges, $113.2 million in 1963 and $118.2 million in 1964.
[4] Includes only revenues from domestic traffic of carriers subject to the jurisdiction of the Interstate Commerce Commission.
[5] Does not include motor carrier revenues of electric railways. Omits a Canadian carrier with $14 million in operating revenues in 1963.
[6] Omits electric railways with operating revenues of $13.8 million in 1963 and $13.4 million in 1964.

[2] Because of duplications resulting from intercompany payments to carriers, revenues of freight forwarders and private-car lines have been excluded from the table of revenues. The operating revenues of freight forwarders after payments to carriers and inclusion of incidental revenues were $152 million for calendar 1963 and $155 million for calendar 1964. Operating revenues of private-car lines were $454 million in calendar 1963 and $467 million in calendar 1964. The information is not available for freight forwarders and private-car lines on a fiscal year basis. Electric railways also are not shown in the table because data are not available for fiscal years. They had revenues of $13.8 million in 1963 and $13.4 million in 1964, a 2.8-percent decrease. The year 1964 was the first since 1961 in which abandonments, mergers, or changes in classification did not reduce the number of electric railways.

The railroad industry, while falling short of new revenue records, showed substantial increases in each of the periods. Calendar year 1964 revenues were the highest since calendar 1957, and fiscal 1965 revenues exceeded those of all corresponding periods since fiscal 1959. Oil pipelines, motor carriers of property, and motor carriers of passengers achieved new records. Revenues of Railway Express Agency, Inc., continued the improvement which began in 1960. Those of water carriers decreased slightly in fiscal 1965 under calendar 1964, but were above calendar 1963 in both periods. Pullman Co. revenues continued a decline which, except for improvement in 1951, 1952, and 1956, has continued since 1946.

Rail freight, mail, milk, and express revenues for 1964 aggregated $9.1 billion compared with $9.2 billion for motor carriers of property. Rail passenger and Pullman Co. revenues in that year totaled $635.5 million and those of motor carriers of passengers were $802.1 million.[3]

Freight, Passenger Performances

Data in the intercity traffic table which follows include both public and private transportation.[4] They show that ton-miles for all modes were greater in calendar 1964 than in 1963, and that all except rail achieved new highs. The 1964 total of 1.531 trillion was 5.6 percent above the 1963 total. Shifts in the shares of the total ton-miles were slight between 1963 and 1964. The rail ton-mile figure was 5.9 percent above calendar 1963 and the highest since 1945, setting a new peacetime record. The largest percentage gain was by airlines—16.05 percent through an increase of 208 million ton-miles—but this was dwarfed by the increase of more than 36 billion ton-miles of the railroads, the largest absolute increase by any mode.

The private automobile and air carriage again attained record intercity passenger-mile increases. The greatest percentage gain,

[3] For purposes of this comparison, rail revenues were allocated for property and passenger service corresponding with the type of motor carriage most competitive for the traffic. Thus, included in the comparison with motor carriers of property are rail freight, mail, milk, and Railway Express revenues, and in the passenger comparison, rail passenger, baggage, sleeping car, parlor and chair car, and other passenger train revenues. A portion of REA domestic revenues were included with rail revenues in the comparison with property motor carriers. This portion bears the same relationship to total REA domestic revenues as contract charges paid by REA to railroads bears to the total of express privilege payments to all modes.

[4] Fiscal year data are not available. Data for motor carriers are preliminary. Water carrier data are limited to domestic traffic as defined by the Coast Guard and do not include deep-sea, coastwise, and intercoastal traffic, which are included in the table at p. 61 relating to federally regulated and other traffic. Data for gas pipelines, movement of energy via electric power grid, water pipelines, and special pipelines such as that for gilsonite in Utah are not included. A coal pipeline formerly operating in Ohio suspended operations in 1963.

Volume of intercity traffic, public and private, by kinds of transportation [1]

Agency	Ton-miles					Passenger-miles				
	1963	1964	Per-cent in-crease	Percentage of grand total		1963	1964	Per-cent in-crease	Percentage of grand total	
				1963	1964				1963	1964
	Millions	*Millions*				*Millions*	*Millions*			
1. Railroads and electric railways, including express and mail	629,337	666,207	5.86	43.40	43.51	18,632	18,374	[d]1.38	2.19	2.05
2. Motor vehicles: [2]										
Motor carriers of passengers						21,917	22,700	3.57	2.57	2.54
Private automobiles						765,877	801,796	4.69	89.90	89.57
Motor transportation of property	331,800	347,470	6.50	22.88	22.69					
Total motor vehicle	331,800	347,470	6.50	22.88	22.69	787,794	824,496	4.66	92.47	92.11
3. Inland waterways, including Great Lakes	234,172	250,165	6.83	16.15	16.34	2,763	2,838	2.71	.32	.32
4. Pipelines (oil) [3]	253,431	265,826	4.89	17.48	17.36					
5. Airways (domestic revenue, pleasure and business flying, including express, excess baggage, and mail)	1,296	1,504	16.05	.089	.098	42,765	49,500	15.75	5.02	5.53
Grand total	1,450,036	1,531,172	5.60	100.00	100.00	851,954	895,208	5.08	100.00	100.00

[d] Decrease.

[1] Some revisions have been made in the data presented in the 78th Annual Report, and parts of the 1963 and 1964 data are still preliminary. Alaska and Hawaii are included.

[2] Schoolbus data are excluded.

[3] Includes refined products and crude oil, with an allowance for gathering lines.

Sources (paragraphs below are numbered to correspond with items in table):

1. Reports to the Interstate Commerce Commission. Electric railway ton-miles and passenger-miles are estimated on the basis of revenue, reports of some carriers, and tariffs. Does not include nonrevenue ton-miles which amounted to 14,327 million in 1963 and 14,000 million in 1964 for class I railroads.

2. Highway ton-miles estimated on the basis of Bureau of Public Roads data for main and local rural roads, mileage of vehicles in urban and rural areas, and Department of Agriculture data on farm consumption. Passenger-miles in private automobiles estimated on basis of data from the Bureau of Public Roads on rural and intercity travel and from average load data. Motor carrier passenger-miles based on Public Roads and Interstate Commerce Commission data.

Estimates of motor carrier ton-miles and private automobile passenger-miles for 1963 and 1964 published here take into account Bureau of Public Roads revisions in basic data resulting from the 1965 "Estimate of the Cost of Completing the Interstate System," in accordance with Section 104(b)5, Title 23, U.S. Code, Highways. The estimates for 1964 are preliminary. The revised estimates for 1962 are 309,407 million ton-miles and 735,931 million passenger-miles. Pending revision of earlier data by Public Roads, the following estimates for 1959–61 may be used, in millions: Ton-miles, respectively, 278,934; 285,483; and 296,485. Passenger-miles, respectively, 687,406; 706,079; and 713,636. As processing of certain data is not complete, highway data for 1963 and 1964 should be regarded as preliminary. Because of changes in base, bus estimates for the years 1957–64 published in this and earlier annual reports are not comparable with estimates published for prior years. Private automobile data shown above and in *Transport Economics*, August 1962, for 1956–58 are comparable with previously published data for 1949–56 in *Intercity Passenger Miles, 1949–56*, Statement No. 580.

3. Ton-mile data from Corps of Engineers, U.S. Army. Data for 1964 are preliminary estimates. Only ton-miles in domestic waters as defined by the Coast Guard are included herein. Does not include deep-sea coastwise and intercoastal ton-miles outside U.S. domestic waters as defined by the Coast Guard, which ton-miles are included in the table at p. 61, and for which data for 1964 are not available.

4. Interstate Commerce Commission, Bureau of Mines, and other data.

5. Based on Civil Aeronautics Board statistics, Federal Aviation Agency surveys, and other data. Covers domestic traffic except movements over international waters or foreign countries. These figures, as they include, for example, Alaskan and Hawaiian, are not comparable with data in annual reports prior to the 75th.

registered by the airlines, was 15.75 percent. A total of 45.5 billion passenger-miles was flown in 1964 by carriers under CAB regulation, omitting business and pleasure flying in noncommercial planes, and this exceeded for the first time the combined total for rail, intercity bus, and waterways. Private automobile passenger-miles led in absolute gains, accounting for 801.8 billion of the 895 billion passenger-miles recorded by all types of intercity passenger carriage during calendar 1964. The private auto figure was more than 10 times greater than the total for all other surface passenger carriers.

Buslines had a moderate increase and waterways showed a minimal advance.[5] Rails, including electric railways, were the only group recording a decline in passenger-miles, although a less severe one than in the preceding year. Their passenger-mile decrease was 1.38 percent from 1963, compared with a drop of 7.68 percent in 1963 from 1962.

Ton-Miles of Federally Regulated, Other Carriers

The following table contrasts intercity ton-miles of federally regulated traffic of the major transportation modes for 1963 with ton-miles of traffic not federally regulated, and provides totals and percentage distributions for the two types.[6] Railroads, which are completely regulated, accounted for the largest share of federally regulated intercity ton-miles. Motor carrier traffic totaling 331.8 billion ton-miles consisted of 120.6 billion ton-miles, or 36.3 percent, in regulated movements and 211.2 billion ton-miles, or 63.7 percent in unregulated movements. Water carrier ton-miles of federally regulated traffic amounted to 50.8 billion, and that of traffic not regulated amounted to 429.7 billion. These amounts were 10.6 percent and 89.4 percent, respectively, of the 480.6 ton-miles of all such traffic. Total regulated traffic by all the carriers was 1,019.2 billion

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[5] Bus passenger-mile data are on a preliminary basis not comparable to data in reports for years prior to 1958.

[6] Motor carrier and pipeline data represent all ton-miles by carriers subject to Commission jurisdiction and include ton-miles of exempt traffic transported by the regulated carriers. Water carrier ton-miles shown as federally regulated represent only those of traffic subject to Commission jurisdiction and exclude exempt traffic of carriers regulated by the Commission. The data were divided in this manner by carriers for the U.S. Army Engineers, the agency by which they were collected. Movement of traffic in U.S. waters which originated or terminated outside the country is excluded from regulated and unregulated data but is shown separately in the table. The water carrier data include ton-miles in coastwise and intercoastal deep-sea service excluded from the table of intercity ton-miles at p. 59. All intercity ton-miles by rail were subject to regulation by the Commission, and all airway ton-miles were under the jurisdiction of the Civil Aeronautics Board. About one-third of the motor carrier and seven-eights of the oil pipeline ton-miles were by carriers regulated by the Commission; 10.6 percent of the water carrier ton-miles were for traffic regulated by the Commission.

Federally regulated and total intercity ton-miles, 1963, by type of carrier

Type	Federally regulated [1]		Not federally regulated		Total [2]	
	Billions	Percent	Billions	Percent	Billions	Percent
1. Rail	629.3	100.0	0	0	629.3	100.0
2. Motor [3]	120.6	36.3	211.2	63.7	331.8	100.0
3. Water [4]	50.8	10.6	429.7	89.4	480.6	100.0
4. Pipeline (oil)	217.2	85.7	36.2	14.3	253.4	100.0
5. Air	1.3	100.0	0.0	0.0	1.3	100.0
Total	1,019.2	60.1	677.1	39.9	1,696.4	100.0
Water traffic in U.S. waters with 1 foreign and 1 domestic terminus (not divided between regulated and other) "Foreign"					46.9	100.0
Grand total					1,743.3	100.0

[1]Includes ton-miles by rail, by vehicles of class I–III intercity common and contract motor carriers, by pipelines (oil), and of waterborne traffic subject to ICC regulation, and air ton-miles subject to regulation by the Civil Aeronautics Board.
[2] Some variance appears in totals because of rounding.
[3] Preliminary.
[4] Includes coastwise, intercoastal, inland waterways, and Great Lakes traffic, but not water traffic in U.S. waters with one foreign and one United States terminus.

Source: Items 1, 2, 4, and 5—the same as in preceding table and other ICC data; and item 3, Department of the Army, Corps of Engineers, *Waterborne Commerce of the United States, Calendar Year 1963, Water Carrier Ton-Miles, Supplement 2 to Part 5, National Summaries*, p. 9.

ton-miles, and their total unregulated traffic was 677.1 billion ton-miles.

The next table divides waterborne intercity ton-miles in 1963 by geographic areas of operation and also divides non-federally regulated traffic into exempt for-hire and private transportation categories. Approximately two-thirds of the domestic traffic was coastwise, of which ICC regulated traffic accounted for 5.5 percent, exempt for-hire for 30.5 percent, and private transportation for 64.0 percent. Lakewise traffic was 14 percent of the total, of which 22.6 percent was ICC regulated traffic, 45.6 percent exempt for-hire, and 31.8 percent private. Internal traffic was about one-fifth of the total, of which 18.9 percent was ICC regulated, 60.8 percent exempt for-hire, and 20.3 percent private. Intraport and local traffic was of small volume.

Traffic regulated by the Commission represented about 10 percent of the total and the ton-miles were divided almost equally among the three major areas of operation. Exempt for-hire ton-miles were almost two-fifths of total ton-miles. Slightly more than one-half was coastwise, and roughly two-thirds of the remainder was internal and one-third lakewise. Private transportation accounted for about half of the total, five-sixths of which was coastwise and the rest divided almost equally between lakewise and internal movement. The charts beginning at page 166 amplify the data in these two tables.

Distribution of waterborne intercity ton-miles, by areas of operation and regulatory status, 1963 [1]

(Ton-miles in billions)

Area	Total		ICC regulated		Exempt for-hire		Private	
	Ton-miles	Percent	Ton-miles	Percent	Ton-miles	Percent	Ton-miles	Percent
Coastwise	316.1	65.8	17.5	34.4	96.4	51.8	202.2	82.9
Lakewise	68.3	14.2	15.4	30.4	31.2	16.8	21.7	8.9
Internal	94.4	19.7	17.8	35.1	57.4	30.9	19.2	7.9
Intraport and local	1.8	0.4	.05	.1	.9	.5	.8	.3
Total domestic	480.6	100.0	50.8	100.0	185.9	100.0	243.9	100.0
Foreign:								
Great Lakes	26.3							
Coastal points	20.6							
Total foreign	46.9							
Grand total	527.5							
	Percentage distribution by regulatory status							
Coastwise		100.0		5.5		30.5		64.0
Lakewise		100.0		22.6		45.6		31.8
Internal		100.0		18.9		60.8		20.3
Intraport and local		100.0		2.6		52.8		44.6
Total domestic		100.0		10.6		38.7		50.7

[1] Totals may not equal sum of items because of rounding. Percentages calculated before rounding.

Source: Department of the Army, Corps of Engineers, *Waterborne Commerce of the United States, Calendar Year 1963, Water Carrier Ton-Miles, Supplement 2 to Part 5, National Summary,* p. 9.

FINANCIAL CONDITION

Railroads

Generally speaking, the year 1964 proved to be the best experienced by the railroad industry as a whole since 1957. While operating revenues of class I line-haul railroads improved for the third year in succession, a greater proportionate increase in operating expenses in 1964 raised the operating ratio to 78.50 percent from 77.95 percent in 1963. Total operating revenues of $9,586.5 million were 3.1 percent above those of 1963 and the highest since 1957. Freight, the principal source of revenue, generated $8,455.5 million, 3.8 percent more than in 1963. The decline in passenger revenues which began in 1946, with slight interruptions in 1951, 1952, and 1956, continued in 1964 with a further decrease of 1.7 percent.

Net railway operating income in 1964 also was the highest since 1957, amounting to $818.2 million, an improvement of 1.6 percent over 1963. The ratio of net railway operating income in 1964 to elements of value used in transportation as of the close of 1963 was 3.12 percent, the best rate of return since 1957. Net income, representing the results of carrier and noncarrier activities, was $698.2 million in 1964, an increase of 7.1 percent over the preceding year. The ratio of net income

to shareholders' equity was 3.96 percent; this ratio also was the highest since 1957.

Improvement in the general financial condition of the railroad industry was not felt with equal force in all geographical operating areas in 1964. The eastern district, with operational results at a depressed level since 1961, was responsible for the major portion of the improvement in net railway operating income and net income in 1964. Its increase was 26.8 percent in net railway operating income over 1963, compared with increases of 2.4 and 1.9 percent, respectively, in the Pocahontas and southern regions and a decrease of 4.4 percent in the western district. Net income of $42.9 million in the eastern district was more than 25 times greater than the very low $1.6 million in 1963; net income increases were 1.75 percent in the Pocahontas region, 2.27 percent in the southern region, and 0.14 percent in the western district.

With the exception of the western district, the industry's general financial improvement continued during the first half of 1965. Freight revenues were up 4.2 percent for the entire industry, compared with the same months of 1964. However, passenger revenues continued their long decline, dropping 5.3 percent in the same period. Combining these revenues with revenues from other operations, total operating revenues increased 3.3 percent. Regionally, the only exception to the national results was an increase of 1.3 percent in passenger revenues in the southern district. Net railway operating income increased 4.0 percent nationally, partly as a result of a 35.4-percent increase in the eastern district. There were increases of 6.1 and 8.6 percent, respectively, in the Pocahontas and southern regions, and a decrease of 7.8 percent in the western district. Changes in net income were similar, the only decrease coming in the western district.

The worsening of results in the western district appears to have been the result of greater increases in railway expenses, taxes, and rents than in revenues, with an actual decrease in revenues in the first quarter of 1964; however, second quarter returns indicate a reversal of the condition, with an increase of 7.1 percent in net railway operating income for the period.

In line with improvement in freight traffic, class I line-haul railroads sharply increased expenditures for additions and betterments in 1964, a very favorable sign. The total was $1,417.3 million, 35.6 percent above 1963 and the highest since 1945. In addition to new traffic, the tax investment credit and liberalized depreciation guidelines, which were both established in 1962, have been a major stimulant for this accelerated level of capital improvements. Expenditures for equipment were 80.4 percent of the total. Preliminary reports indicate

that the increase for road and equipment combined in 1965 may be about 12 percent over 1964. The influence of these expenditures in 1964 was an increase of 21 percent in long-term debt.

Electric Railways

The long-time downward trend in revenues of electric railways continued through 1964, but a greater decrease in operating expenses reduced the operating ratio from 90.62 percent in 1963 to 89.20 percent in 1964. For the second year in succession, after 4 years of losses, electric railways as a group reported net income.

Private Car Owners

Results of operations of the seven refrigerator-car lines owned or controlled by railroads improved in 1964 over the preceding year. Operating revenues increased by 7.6 percent and the operating ratio decreased from 73.75 percent in 1963 to 70.77 percent in 1964. Carline operating income rose 19.9 percent and net income increased 16.3 percent. The ratio of carline operating income before income taxes to net investment in transportation property plus working capital was 8.71 percent in 1964, compared with 7.47 percent in 1963, and the ratio of net income to shareholders' equity was 7.48 percent compared with 6.71 percent in 1963.

Refrigerator and petroleum cars of non-railroad-controlled private-car owners of 10 or more cars decreased in number during 1964. All other types of cars increased, with the result that the entire fleet was greater by 4.3 percent. Miles operated by cars of these owners increased 2.7 percent and revenues receivable were up 13.9 percent.

Motor Carriers of Property

As indicated at page 57, operating revenues of motor carriers of property increased by 7.10 percent in 1964 over 1963. The revenues of class I intercity carriers improved by 7.7 percent. For these carriers, all types of revenues except intercity contract were higher; the decrease for the exception was 5.6 percent. The operating ratio declined to 95.46 percent in 1964 from 95.90 the year earlier. Net carrier operating income for the group was higher by 19.5 percent. There was an increase of 9.4 percent in net carrier operating property plus working capital. The rate of return from transportation services was 20.22 percent compared with 18.53 percent in 1963. The increase in net income was 24.5 percent as against an increase of 1.0 percent in shareholders' and proprietors' equity. The ratio of net income to

shareholders' and proprietors' equity in 1964 was 55.81 percent; it was 45.28 percent in 1963.

Revenues of class I local motor carriers of property were up by 18.4 percent in 1964 over 1963. Expenses did not proportionately increase to the same extent, with the result that the operating ratio decreased from 96.82 percent to 95.90 percent. Net carrier operating income made a gain of 52.6 percent, and the ratio of this item to net investment in transportation property plus working capital went to 14.27 percent in 1964 from 11.22 percent in 1963. The ratio of net income to shareholders' and proprietors' equity was 45.73 percent compared with 40.39 percent in 1963.

Motor Carriers of Passengers

While operating revenues of class I intercity motor carriers of passengers reached another successive peak in 1964, the increase in these carriers' operating expenses was slightly greater proportionately, with the result that the operating ratio increased slightly. Operating revenues of $655.1 million were 7.4 percent above those of 1963. Passenger revenues from intercity schedules increased by $23.0 million or 5.5 percent. Absolute and percentage increases in passenger revenues from local and suburban schedules were relatively small. The increase in passenger revenues from charter or special services was 25 percent above the preceding year. Other operating revenues, mainly from handling baggage and small shipments, increased by $8.8 million, or 14.3 percent.

The increase of 7.7 percent in operating expenses, combined with the 7.4-percent increase in operating revenues, increased the operating ratio from 86.76 to 87.03 percent. Net carrier operating income totaled $84.9 million, or 5.2 percent higher than in 1963. Net income increased 9.9 percent to $52.4 million, aided by a decrease in income taxes of $1.5 million. This decrease in income taxes was equivalent to 4.5 percent of such taxes in 1963.

While net carrier operating income increased 5.2 percent, as mentioned above, net investment in transportation property plus working capital went up 8.8 percent. As a result, the rate of return on this base decreased from 27.80 to 26.87 percent. On the other hand, the relative increase in net income exceeded the relative increase in shareholders' and proprietors' equity, and the rate of return on this base went from 64.94 to 70.39 percent.

Preliminary information for the first half of 1965 indicates an increase of 5.1 percent in operating revenues over the same months of 1964, and an increase from 84.35 to 85.36 percent in the operating ratio. However, net income increased to $16.6 million, or 6.0 percent.

Detailed data are not available from which to determine the cause of the increase in net income.

Upon a moderate improvement in the relationship of revenues and operating expenses in 1964, net results for class I local motor carriers of passengers increased sharply. Operating revenues were up 11.5 percent to $72.0 million over the preceding year, and with an increase of 9.2 percent in operating expenses, the operating ratio improved to 94.50 from 96.46 percent. Net carrier operating income improved for the third year in succession, the change from the prior year being 73.1 percent, and net income, following the same trend, was higher by 74.9 percent. The ratio of net carrier operating income to net investment in transportation property plus working capital was 14.80 percent, up from 10.12 percent in 1963, and the ratio of net income to shareholders' and proprietors' equity reached 26.45 percent, as against 15.87 percent in 1963.

Further improvement took place in the first 6 months of 1965.[7] Operating revenues were higher by 5.4 percent but the operating ratio increased to 97.26 from 92.97 percent, when compared with January–June 1964. During the 1965 period, net income increased by almost 430 percent. However, comparison of net income for the first 6 months of 1964 with net income for the entire year indicates that accounting technicalities may have held down the net for the first half of 1964.

Water Carriers

Total waterline operating revenues of classes A and B carriers by inland and coastal waterways decreased by 0.1 percent in 1964. This resulted from a decrease of 2.4 percent in line-service operating revenues, despite increases of 5.9 percent in "other operating revenue" and 3.4 percent in terminal operations revenue. Operating expenses decreased 1.3 percent with the result that the operating ratio improved from 87.49 percent in 1963 to 86.42 percent in 1964. Net revenue from waterline operations rose 8.5 percent. Net income, representing carrier and noncarrier operations, increased by 48.8 percent. The rate of return from carrier operations on net investment in transportation property plus working capital was 13.38 percent, compared with 13.15 percent in 1963, and the ratio of net income to shareholders' equity improved from 9.47 percent in 1963 to 13.40 percent in 1964.

Preliminary reports for the first 6 months of 1965 indicate a decrease of 3.2 percent in freight operating revenues and an increase of 1.4 percent in passenger operating revenues when compared with the same period of 1964.

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[7] Based on incomplete preliminary data.

Four tables are included in appendix II covering the operations of maritime carriers. As the data therein reflect the combined results of domestic and foreign operations of the carriers, the tables are included merely as information and not as an indication of operations subject to the jurisdiction of the Interstate Commerce Commission.

Freight Forwarders

Transportation revenues of class A freight forwarders were up 3.7 percent in 1964 over the previous year, but transportation purchased from carriers to handle the traffic increased 4.0 percent. As a result, operating revenues increased only 2.6 percent. The operating ratio rose from 91.34 percent in 1963 to 93.15 percent in 1964 because of a rise in operating expenses of 4.6 percent. The net result was that revenue from forwarder operations declined by 18.9 percent, to $10.7 million. Changes in income taxes, fixed charges, and other income and deductions depleted revenue from forwarder operations to the extent that net income was $5.1 million, or 29.7 percent lower than in 1963. As a result of these decreases in net returns, the ratio of revenue, less taxes, from forwarder operations to net investment in transportation property plus working capital declined from 60.34 percent in 1963 to 52.31 percent in 1964, and the ratio of net income to shareholders' equity declined from 30.71 percent in 1963 to 25.86 percent in 1964.

Carriers' quarterly reports for the first half of 1965 indicate an increase of 8.0 percent in operating revenues, with an operating ratio of 89.03 against 93.26 percent when compared with the same months of 1964. Revenues from forwarder operation of $7.8 million were higher by 75.8 percent than in the 1964 period. Net income, partially because of relatively smaller income taxes and perhaps because of accounting technicalities, was $4.0 million, 172 percent greater than in the corresponding period of 1964.

Oil Pipelines

Companies reporting to the Commission continued the uninterrupted growth in operating revenues which has characterized their operations for many years. An increase of 14.6 percent in operating expenses offset a 3.2-percent increase in operating revenues, so that their operating ratio increased from 51.99 to 57.73 percent in 1964. As a result, net revenue from operations decreased by 9.1 percent. The ratio of net revenue from operations to net investment in transportation property plus working capital fell from 15.85 percent in 1963 to 14.60 percent in 1964. Other income and a decrease of $8.5

million in U.S. Government taxes combined to produce an increase of 5.3 percent in net income. The ratio of net income to shareholders' equity remained almost constant—15.96 and 15.97 percent, respectively, in 1963 and 1964.

TRANSPORT LABOR

Peace between railroad management and labor, won by settlement of the work-rules dispute in the spring of 1964,[8] was jeopardized later in the year by wage disputes. However, this new threat of a national railroad work stoppage ended when three railroad shop craft unions, holdouts from an earler shop craft-railroad agreement, settled with the carriers on February 4, 1965,[9] for a wage increase of approximately 30 cents an hour over a 3-year period. The agreement, which provided for annual wage increases of 9 cents per hour the first year and slightly more than 11 cents and 10 cents the second and third years, respectively, retroactive to January 1, 1964, also provided improved fringe benefits pertaining to holidays, vacations, and life insurance.

On February 7, 1965, the most recent major rail-labor dispute was settled with the signing of a nonwage contract by the carriers and five nonoperating unions representing approximately 300,000 employees. Effective until July 1, 1967, it provides, among other things, that the work force of employees covered by the agreement will be reduced only through attrition. Provision was made for protected employees to be laid off if a railroad's business declined more than 5 percent and recalled in case of a subsequent improvement in business.

Despite improvement in national rail labor relations, some local disputes remain unsettled. Disagreement between the Florida East Coast Railway and nonoperating unions was still unsettled more than 2 years after a work stoppage began on that carrier in January 1963, although limited resumption of passenger service was scheduled for August 2d under an order of the Florida Public Utilities Commission affirmed by the Florida Supreme Court.

The repeal of railroad "full-crew" laws in Arizona, California, and North Dakota and recent rulings against the effectiveness of such laws in certain other States left only eight States with fully operating "full-crew" requirements. This has contributed to broad application

[8] A work-rules agreement reached September 25, 1964, between the railroads and the six shop craft unions on job protection became effective November 1, 1964, and extends to January 1, 1966.

[9] The International Association of Machinists, the International Brotherhood of Electrical Workers, and the Sheet Metal Workers International Association had rejected an agreement, signed on Nov. 21, 1964, by three other shop craft unions. The November agreement followed the recommendations of a Presidential Emergency Board and provided, in addition to improved fringe benefits, a wage increase of 27 cents an hour for the 3-year period, retroactive generally to Jan. 1, 1964, or 9 cents an hour for each year.

of the Federal arbitration board's award allowing, effective May 7, 1964, gradual elimination of most rail fireman positions and changed composition of traincrews. The Supreme Court has set argument in the term beginning October 4, 1965, on a Federal court ruling that the award superseded Arkansas laws requiring firemen on freight trains and in yards and 3 brakemen on 25-car freight trains and in most yards.

The longshoremen's work stoppage which halted east and gulf coast port operations starting January 11, 1965, ended in many ports on February 13 when union officials ordered members back to work in ports where settlements had been reached. (In similar past situations, no work was resumed until settlement had been reached at all affected ports.) Work was resumed in remaining South Atlantic and west gulf coast ports on March 7 following approval of a new contract, although some minor local issues were not settled. Chief source of the dispute had been work-gang reductions enabled by introduction of automatic cargo handling techniques. Under the agreement, longshoremen at all east and gulf coast ports obtained hourly wage and benefit increases of 80 cents over a 4-year period. Settlement as to work-gang sizes and work guarantees varied between the ports.

Employee Protection

The railway labor unions challenged in court the conditions we imposed for protection of employees in *Southern Ry. Co.—Control—Central of Georgia Ry. Co.*, 317 I.C.C. 577, 317 I.C.C. 729, and 320 I. C. C. 377. The proceeding was remanded to us by the United States District Court for the Eastern District of Virginia pursuant to the decision of the Supreme Court in *Railway Labor Executives Assn.* v. *United States*, 379 U.S. 199. The parties have requested differing relief upon the remand of the proceeding, and the remanded proceeding is still pending.

In *Amalgamated Ass'n of Street, Elec. Ry., Etc.* v. *United States*, 221 F. Supp. 958 (1963), the United States District Court for the District of Columbia reversed our report and order of March 26, 1962, in *Midwest Buslines, Inc.—Pur.—American Buslines, Inc.*, 90 M.C.C. 173, and remanded the proceeding to us. It indicated that if any particular measure of relief would ordinarily be granted to railroad workers situated as were American Buslines employees affected by the sale of operating authority approved in the case, the Commission should not deny it to the bus employees without a reasoned explanation of its denial. In this case, the primary of adverse effect on employees consisted of expenses and losses attendant to moving households. On further consideration, we required that a portion of the benefits which American might expect to achieve through the sale of the involved

authority be used to compensate adversely affected employees in the form of lump-sum payments approximately equal to their costs incurred in moving (97 M.C.C. 426).

Thereafter, American Buslines, Inc., instituted a court action, civil action No. 644–65, before the same court to set aside our order of August 17, 1964. The Amalgamated Transit Union has also appealed the decision (civil action No. 684–65) before this court, reasserting that the Commission is required under section 5 of the act to adopt the rail formula of protection for motor carrier employees. There is also pending in this court a challenge by the Teamsters Union, civil action No. 894–65, of our decision in *Overnite Transportation Co.—Purchase—Rutherford Freight Lines, Inc.*, Finance Docket No. MC–F–8393, raising similar issues.

SAFETY AND ENFORCEMENT

In an era of increasing risks of hazard and abuse in transportation, the Commission's safety and enforcement responsibilities have never been more challenging. Where necessary, we are supporting changes in the applicable statutes, and are seeking the professional talent and the industry cooperation that must underlie improved safety and greater conformity with the law in transportation. The following discusses our steps in that direction.

Highlights

Accident fatalities in 1964 for motor carriers reporting accident data rose to 4.15 percent of the total highway traffic toll as mileage and exposure to accidents increased.

In the same year, motor carriers of property reported a 6-percent increase in highway deaths, a 9-percent increase in fatal accidents, and an 8-percent increase in accidents, but bus accident levels declined.

The rise in railroad safety law violations continued. At the same time, train accidents and derailments increased 10.3 percent and fatalities increased 12.9 percent, while injuries showed only a slight rise.

No fatalities were reported under the Locomotive Inspection Act, but the number of locomotives found unsafe and ordered out of service increased.

New hazards in transportation of explosives and dangerous articles resulted in Commission assignment of high priority to this area of our responsibility.

Oil pipeline safety regulation was assigned to the Commission by Public Law 89–95.

A number of our proceedings involved challenged transportation operations by agricultural cooperatives, shipper associations, and motor and rail carriers.

MOTOR CARRIER SAFETY

The Commission is deeply concerned over the worsening trend in highway accidents. Private carriers are not required to file accident reports with the Commission and, thus, our knowledge of trends is

based primarily on reports filed by common and contract carriers. Interstate for-hire carriers in recent years have reported to the Commission accidents which account for about 4 percent of the Nation's total traffic fatalities. This rose to 4.15 percent of the 47,800 highway toll in 1964, when the carriers reported 1,984 traffic deaths.[10]

In the past 5 years, there has been a 10.9-percent increase in deaths reported by property carriers with a 9.0-percent increase in vehicle-miles over the 1955–59 period (chart, p. 132). For similar periods, there has been a dramatic improvement in the accident experience of intercity buses, with 13.7 percent decrease in fatalities despite a 4.1-percent increase in vehicle-miles.

With the number of motor vehicles moving on the highways having risen to 87 million, operators of interstate commercial vehicles are faced with an ever-increasing exposure to accidents. Our primary concern is focused on major accident causes which appear to be preventable. Over the years we have issued progressively tighter regulations governing maximum hours of service of drivers, standards of equipment, and vehicle maintenance. For 1965 we strengthened our regulation requiring certain vehicles to stop at railroad grade crossings. Research studies now underway contemplate revision of our rules for driver qualifications, with special reference to physical standards and more thorough evaluation of driver competence and background. Occasionally, where practical and in the public interest, these regulations have been relaxed. This is exemplified by our revision of section 191.2 of the Motor Carrier Safety Regulations, effective December 31, 1964, which, for the first time, permits certain handicapped persons to make application for a waiver to drive under specified conditions, governed by area and type of service, special equipment, and the driver's experience, competence, and ability. Twenty-one applications for this waiver were received, six of which were granted.

Because of the severity of certain bus accidents, we asked the National Association of Motor Bus Owners to study means of reducing accidents caused by loss of control of buses on wet pavement. We also asked the association to investigate the use of seat belts by passengers. The results of the studies are now being analyzed.

RAILROAD SAFETY

Recent rail safety reports show an alarming 12.9-percent increase in fatalities for 1964. Railroad train and train service accidents resulted in 2,344 persons killed and 18,344 injured during 1964 compared with

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[10] Complete statistical summaries are included in the motor carrier safety section of app. E.

2,077 killed and 18,289 injured during 1963. A detailed report on railroad safety matters is published as a separate document[11] and statistical data are presented in appendix E.

There was a 10.3-percent rise in the number of train accidents reported, with the major portion of the increase due to derailments caused primarily by faulty equipment, track conditions, and by highway-grade crossings. In the past 4 years, accidents have shown a continued increase after having been substantially reduced in the fifties.

There has been a sharp rise in violations of the various railroad safety laws in the past 5 years. Higher utilization is being obtained from equipment, leaving less time available for maintenance. Carriers have decreased the number of maintenance and repair facilities and employees engaged in such work. While the primary responsibility for the observance of the safety laws, of necessity, rests on the railroads, our inspection program reinforces that responsibility by bringing deficiencies to the attention of the carriers. We have intensified our efforts during the year to obtain better compliance.

Our enforcement activities have been materially increased as a result of the high degree of noncompliance. In this fiscal year, 684 cases involving 2,272 counts were transmitted to the U.S. attorneys for prosecution in the courts.

Proceedings before the Commission in connection with revision of 26 sections of the Rules, Standards and Instructions for Installation, Inspection, Maintenance and Repair of Signal Systems are now nearing completion. The proposed revisions are designed to clarify the rules in the light of the Commission's experience since their last revision in 1950.

Under authority of section 25 of the Interstate Commerce Act, 4,600 signal systems were inspected, and a large number of unsatisfactory maintenance conditions were called to the attention of the carriers and were corrected.

LOCOMOTIVE INSPECTION

A detailed report on this important phase of our responsibility is published as a separate document.[12]

Under the provisions of the Locomotive Inspection Act, 111 accidents were reported during the fiscal year (app. E). Locomotive equipment failure contributed to 87 of these accidents, which resulted in 93 injuries but no fatalities. Most were caused by unsafe condition

[11] Report of the Section of Railroad Safety, Bureau of Railroad Safety and Service, to the Interstate Commerce Commission.

[12] Annual report of the Section of Locomotive Inspection to the Interstate Commerce Commission.

of cab floors, steps, and passageways, by defective cab seats, and by crankcase explosions. There was a substantial increase in the number of locomotives found in unsafe condition and ordered out of service. A petition was received from the Association of American Railroads for amendment of certain of the rules and instructions for inspection and testing of locomotive other than steam. As a result of the petition, a proceeding was instituted by the Commission in Ex Parte No. 243. An informal conference was held January 28, a prehearing conference was held on March 24, and hearings commenced on June 15, 1965.

GRADE CROSSING SAFETY

Safety statistics for 1964 are adequate proof of the growing menace of highway-grade crossing accidents. Last year the 11.3-percent increase in these accidents and the 18.3-percent rise in fatalities connected with them were the main reasons for the poor overall railroad safety record. While these accidents represented only one-fifth of all train accidents, they caused more than two-thirds of the fatalities involving railroads.

Our investigation in Docket No. 33440, *Prevention of Rail-Highway Grade-Crossing Accidents Involving Railway Trains and Motor Vehicles* (332 I.C.C. 1), reported last year, led to various proposals for reducing the tragic toll in this area. The Commission is moving ahead to implement the recommendations within its jurisdiction.

In cooperation with the Bureau of Public Roads of the U.S. Department of Commerce, the National Joint Committee on Uniform Traffic Control Devices [13] has under study a national standard to classify and provide for clearly marking certain crossings as "exempt" intersections where vehicular traffic would not be required to stop before proceeding across the tracks. Our motor carrier safety regulations now take into account such crossings and if the proposed national standard is adopted, our requirements will conform. The recommendations pertaining to changes in motor carrier safety regulations and the requirement for registration and identification of private carrier vehicles used in transporting explosives and other dangerous commodities are presently the subject of proceedings before the Commission.

TRANSPORTATION OF EXPLOSIVES AND OTHER DANGEROUS ARTICLES

There is a continuing and substantial expansion in the quantities and varieties of chemicals transported in interstate commerce. When such shipments are involved in an accident, there are increased hazards

[13] Composed of representatives of the American Association of State Highway Officials, Institute of Traffic Engineers, National Committee on Uniform Traffic Laws and Ordinances, National Association of County Officials, and American Municipal Association.

and the potential of extensive loss of life and property damage. To reduce these dangers, the Commission intends to improve its regulations and enforcement by developing a staff organization to make independent, technical, and scientific evaluation of current testing and classification requirements, and to utilize assistance of other governmental agencies, professional groups, and industry sources in this area.

The consumption of commerical explosives in the United States, as reported by the Bureau of Mines, was 1.66 billion pounds in 1964 as compared with 1.45 billion pounds in 1963. These figures include blasting agents, such as nitrocarbonates or aluminum nitrate mixtures, which are not classed as explosives but are used for blasting purposes in lieu of commercial explosives.

Technological advances in the chemical and explosives industry, including new methods of packaging, resulted in a large number of requests to us for changes in regulations and issuances of special permits to authorize new methods of shipping or transporting dangerous articles. Recent innovations include the increased utilization of giant-sized tank cars and the use of tank cars and tank trucks for molten materials, as well as commodities cooled to temperatures as low as 420° F. below zero. Changes in temperatures from predetermined levels can result in extremely hazardous conditions.

Over 100,000 shipments of radioactive materials are now made annually. It is expected that the volume will contiue to increase. The opening of large atomic powerplants supports the need for additional large containers to transport new and expended fuel elements in rail cars and highway vehicles. It is anticipated that weights up to 250,000 pounds will be involved in some movements.

The Commission endeavors to revise its regulations in keeping with technological advancements in order to meet the constantly changing needs of the industry and the introduction of new hazardous materials into commerce. In the past year, numerous amendments to the regulations were proposed by the Commission's staff, shippers, and carriers or their industry organizations. Four hundred thirty-three of the proposals were adopted. Of the amendments proposed, 300 were for the modification of existing rules or provisions, and 140 sought additional provisions to take care of new developments.

PIPELINE SAFETY

The Commission was given responsibility for oil pipeline safety regulation, in accordance with the provisions of H.R. 5041, which became Public Law 89–95 on July 27, 1965. The legislation assists in protecting interstate carriers against the threat of conflicting legislation by the States. It also enables the Commission to cope with pos-

sible safety hazards that could result from changes in the operations or traffic consist of pipelines.

CHALLENGED OPERATIONS

Much of our work involves the investigation of transportation operations which appear to be in violation of the Interstate Commerce Act. In the past year, we have looked closely into the transportation activities of agricultural cooperatives and shipper associations, and have examined the routing of shipments by railroads and the service practices of regulated motor common carriers.

Agricultural Cooperatives

Section 203(b)(5) of the act exempts from economic regulation "motor vehicles controlled and operated by a cooperative association as defined in the Agricultural Marketing Act, approved June 15, 1929, as amended, or by a federation of such cooperative associations, if the federation possesses no greater powers or purposes than the cooperative associations so defined." In *Machinery Haulers Assn.* v. *Agricultural Commodity Serv.*, 86 M.C.C. 5 (1961), the Commission held that transportation performed under this exemption must be "functionally related" to the basic nontransportation purposes of the organization. Two current cases, one before the Commission and one in the courts, raise that issue. In both cases, the transportation is performed by an admittely bona fide cooperative association. In each case, association vehicles transport members' goods to market, and this transportation is conceded to be within the exemption. Also in each case, the same vehicles are used to transport general property on the return movement for compensation. Neither the associations nor their members have any interest in the merchandise transported on the return except that of reducing the costs of operating their vehicles. Pending before the Commission on a petition for reconsideration is *Cache Valley Dairy Association—Investigation of Operations*, MC–C–3876, reported in 96 M.C.C. 616. In that case, Division 1 held the non-farm-related transportation operations to be beyond the exemption. In the judicial proceeding, *I.C.C.* v. *Northwest Agricultural Cooperative Ass'n., Inc.*, 234 F. Supp. 496 (D. Ore. 1964), the district court in Oregon also held such operations not to be within the exemption. On appeal by Northwest to the Ninth Circuit Court of Appeals, the lower court decision was reversed. We are now seeking a writ of certiorari from the Supreme Court.

Shipper Associations

Difficult enforcement problems have also arisen under part IV of the act, which permits a group or association of shippers to consolidate and distribute freight for members on a nonprofit basis. Associations

which are relatively small and are actually controlled by members having a strong community of interest, pose no enforcement problems. However, many associations have been created by entrepreneurs who in fact control their activities. In actual operation, there is little difference between such an association and a freight forwarder. Often the association's membership has become so large as to include all major and many medium-sized shippers in the territory where it is based.

In a number of formal proceedings we have found the operations of an ostensible shippers' association to be those of a freight forwarder. Although cease and desist orders have been issued, they frequently fail to result in a cessation of operations. They generally result merely in organizational changes in which the experience and resources acquired in the conduct of unlawful operations continue to be used in essentially similar operations. To cope with this enforcement problem, we recommend that section 402(c) be amended to require associations to satisfy the Commission that they are bona fide shipper associations before they begin operations. The types of operation found to be lawful are exemplified in *New Orleans Shippers Assn., Inc., Investigation*, 323 I.C.C. 619, and *Natl. Motor Frt. Traf. Assn., Inc.*, v. *Progressive Shippers*, 325 I.C.C. 458.

Routing Services

An investigation of routing practices by the Atchison, Topeka & Santa Fe Railway Co. was conducted in *Routing Exceptions, A.T. & S.F. and Connecting Carriers*, 325 I.C.C. 228. The case involved the practice of the Santa Fe in permitting certain shippers of potatoes moving to Kansas City, Mo., from points in California to specify indirect routing, including backhaul or out-of-line movements, and then to forward the traffic by a direct route but delay it in transit for at least the time required had the shipment actually moved over the specified circuitous route. After noting that no tariff authority covered this service, Division 2 found that the practice constituted a special service for which an appropriate charge must be made in tariff form. The Division concluded that the service constituted free warehousing and undue detention of cars, in violation of section 6(7) of the act and section 1 of the Elkins Act.

Sorting Services

In Docket No. 34432, *Associated Wholesale Grocers, Inc.—Investigation*, 325 I.C.C. 631, Division 2 affirmed an earlier examiner's finding that a large number of motor carriers and Associated Wholesale Grocer, Inc., were in violation of section 222(c) of the act when the latter requested and was granted special commodity sorting services without

proper tariff authority. After finding that such services were neither part of the carrier's obligation to provide line-haul transportation nor were performed for the carrier's convenience, the Division entered an order against the shipper and a number of the involved carriers. We accepted offers of settlement from other carriers named in the investigation. Subsequently a number of tariffs covering such sorting services were filed.

THE PASSENGER SITUATION

As have all our recent annual reports, this one discusses at length the problems of railroad passenger service. The following chapter details developments in this area during the past year—not only those coming under our direct jurisdiction, such as discontinuance proposals, but also outside actions and events which have affected the entire rail passenger situation. We cannot report that the many-sided railroad passenger problem has been solved. However, we can conclude that a growing body of Federal, regional, State, and local programs are being activated with the goal of alleviating the problem and, where possible, seeking permanent protection against its wide-scale recurrence. If the problem continues to receive this kind of forceful recognition, we believe its solution in the public interest eventually will be realized.

Also discussed in this chapter are recent trends in the bus field. This industry has been undergoing significant changes in its revenue, traffic, and service patterns, and we expect further changes in the competitive position of bus operators as a result of new developments in rail and air passenger services.

Highlights

Rail passenger revenues in 1964 dropped $10.2 million from the 1963 level, bringing the total rail passenger deficit for class I line-haul roads to $410.2 million for the year.

We permitted discontinuance of 286 passenger trains, and required 11 more to maintain service.

Slight upward trends continued in commuter service use and commuter passenger revenues. On balance, however, the commuter picture is still far from encouraging. The most promising development has been increased government-level concern and action aimed at solving deep-seated commuter service problems.

Intercity rail passenger service still was marked by declines in revenues. Although certain individual carriers have moved to improve their services and thereby generate additional revenue traffic,

the outlook for intercity rail passenger operations appears on balance to be a gloomy one. A hopeful development in this generally bleak situation was the approval of the administration's "northeast corridor" high-speed rail program.

Bus operations continue to be characterized by shifting revenue, passenger, and service factors. Charters and special bus services recorded major increases in use, while local and suburban services experienced declines in patronage. Passenger revenues increased for all types of service. Package hauling operations continued to play a significant role in overall bus revenues. Comparing 1964 with 1955, bus operators have experienced a 31.7-percent drop in the number of revenue passengers but a 43.3 percent increase in passenger revenues.

RAIL PASSENGER SERVICE

In recent years many railroads have been unable to perform passenger service on a break-even basis. In 1959, in the *Railroad Passenger Train Deficit* case (306 I.C.C. 417), the Commission indicated a need for State and local assistance to retain commuter and other passenger train service. In an interim report, issued March 31, 1961 (313 I.C.C. 411), in Docket No. 33332, *Passenger Fares, New York, N.H. & H. R. Co.*, we singled out passenger operations as the primary cause of that road's financial difficulties. We also concluded that reorganization under section 77 of the Bankruptcy Act would not provide adequate solution to the basic problems of the New Haven. In our final *New Haven* decision, (314 I.C.C. 377), decided August 16, 1961, we recommended legislation to alleviate the rail passenger problem.

Because of substantial losses incurred by many of the carriers from passenger train operations, we have continued to receive numerous proposals to discontinue passenger trains in both commuter and intercity service. During the year, 24 notices were filed to discontinue 159 interstate trains under section 13a(1) of the act, including 105 operated by the trustees of the New York, New Haven & Hartford Railroad Co. Seven petitions were filed under section 13a(2) seeking authority to discontinue 52 intrastate trains, including 37 operated by the trustees of the New Haven. On October 11, 1965, New Haven filed notice of its intention to discontinue, effective March 1, 1966, all passenger service not covered by commuter agreements. During the fiscal year, 286 passenger trains were permitted to be discontinued, and 11 were required to be continued. Three proceedings involving 12 trains were dismissed.

As indicated hereinafter 262 of the trains permitted to be discontinued were commuter trains operated by the Boston & Maine, but

much of the service provided by these trains is being continued by the B. & M. under contract with the Massachusetts Bay Transportation Authority.

Rail passenger performance figures for 1964 were generally disappointing. The total number of revenue passengers carried in the year by class I line-haul railroads rose to 313.0 million, 3.4 million above 1963. However, both passenger revenues and passenger-miles declined. Passenger revenues of $577.9 million in 1964 were $10.2 million below the comparable 1963 total. For the first 6 months of 1965, these revenues showed a decline of 5.3 percent. The 18.2 billion passenger-miles reported by class I line-haul railroads in 1964 were 259.2 million passenger-miles below the 1963 figure. The total 1964 deficit from rail passenger operations for class I line-haul railroads was $410.2 million, as compared with a $398.9 million deficit in 1963. Comparative totals by district for the 2 years are as follows:

Class I line-haul railroad passenger deficits

[Millions]

	1963	1964
Eastern district (including Pocahontas region)	$126.3	$130.7
Southern region	77.9	85.4
Western district	194.7	194.2

Government concern over the dimensions of the rail passenger problem has intensified in recent months, as indicated below in our discussion of commuter and intercity services. (Also see High-Speed Ground Transportation, Legislative Activities chapter.)

Commuter Service

The slight upward trend in commuter riding, first discerned in 1963 after years of steady declines, continued through 1964. Commuter revenue passengers increased almost 1.6 percent over 1963. Commuter passenger revenues, reflecting commutation fare increases, has generally continued upward through the 1955–64 period. Average revenue per commuter passenger increased from 40.9 cents, in 1955, to 67.7 cents in 1964. On a percentage basis, the average fare per commuter passenger has increased over 65 percent since 1955. To some degree, the increased revenue per commuter passenger has reflected the 9.3-percent increase in the average length per revenue passenger trip, from 19.4 miles in 1955 to 21.2 miles in 1964.

The following table shows the number of commutation and multiple-ride passengers, commutation fare revenues, and commutation revenue passenger-miles reported annually by class I railroads, beginning in 1955:

Year	Commuter revenue passengers	Commuter passenger revenues	Commuter revenue passenger-miles
	Millions	*Millions*	*Billions*
1955	247.8	$101.4	4.8
1956	247.0	106.8	4.8
1957	243.9	115.9	4.8
1958	240.2	123.6	4.8
1959	221.4	125.1	4.5
1960	203.0	122.4	4.2
1961	198.4	126.9	4.1
1962	194.5	126.7	4.0
1963	195.1	130.0	4.1
1964	198.2	134.2	4.2

Source: Bureau of Accounts Statements Q-220.

The commuter problem in the Northeastern States was brought into sharp focus by proposals filed with us by the Boston & Maine and the New York, New Haven & Hartford railroads to discontinue most of their commuter service. In Finance Dockets Nos. 23170, 23175, 23176, and 23177, the Boston & Maine was relieved of its common carrier obligation to continue 262 trains operating to and from Boston. Seven of the 269 trains included in the discontinuance proceedings were required to be continued for limited periods. Our decisions in these proceedings were designed to prevent financial collapse of the carrier and to preserve its railroad freight service, essential to the economy of New England.

Cessation by B. & M. of its self-maintained passenger service did not mark the end of all rail commuter services in the Boston metropolitan area. As anticipated by our decisions allowing the discontinuances, B. & M. is continuing to provide commuter services within a 20-mile radius of Boston under contract with the Massachusetts Bay Transportation Authority, an agency created by the Comonwealth of Massachusetts. Further, our decisions required some temporary continuances of B. & M. passenger trains so as to afford towns beyond the radius an opportunity to enter into similar contractual agreements for future provision of rail commuter services. Following issuance of our decisions, we conducted a 1-week investigation to determine the adequacy of commuter services available in lieu of rail passenger services curtailed at certain points by B. & M. On the whole, we found that bus operators were cooperating fully to meet the needs of commuters between these points and Boston.

Subsequent to these developments, MBTA has negotiated an agreement with the New Haven Railroad covering purchase of some rights-of-way in Massachusetts and continuance of essential New Haven commuter services in the Boston area.

During the year, trustees of the New Haven Railroad filed a notice of intention to substantially reduce passenger train service between major commuter stations in Westchester County, N.Y., and New York City (F.D. 23514). Following hearings, we granted the New Haven's request to discontinue the investigation and to dismiss the proceeding, after a $4.5-million aid plan had been worked out by the trustees, the Housing and Home Finance Agency, and the States of New York and Connecticut. The plan, authorized by the Mass Transit Act, provides for continuation of the commuter service for 12 months, with a renewal option for an additional 6 months. On October 11, 1965, the trustees of the New Haven petitioned the Commission to abandon all passenger service. Meanwhile, the New Haven is negotiating with representatives of Connecticut, New York, Massachusetts, and Rhode Island to continue through passenger service under contractual arrangements.

In another development affecting the New York City commuter services, the New York State Legislature enacted legislation authorizing the State to purchase the Long Island Rail Road from the Pennsylvania Railroad for $65 million. The New York Metropolitan Transit Authority has announced that it hopes to acquire the Long Island before January 1, 1966.

Intercity Service

The national intercity rail passenger picture over the past 10 years has been one of persistent declines. The sole indication that this trend may be softening comes from intercity passenger totals. The year 1964 was the first in the past 10 in which the number of intercity revenue passengers increased over the preceding year. Declines in intercity passenger revenues and revenue passenger-miles continue, with totals for 1964 reflecting decreases from 1963 levels. Such optimism as there is in the intercity rail passenger field is largely exhibited by individual roads. It is reported, for example, that the Northern Pacific carried twice as many long-haul passengers in 1964 as it did in 1950. The Santa Fe invested $10 million during 1964 in the purchase of 24 new high-level coaches and the modification of 12 roomette cars into all-bedroom cars. The Union Pacific, which bought 20 new coaches in 1961, purchased an additional 15 in 1964 and upgraded some of its existing pullman equipment. These, however, are exceptions to the rule. About 60 percent of the national rail passenger fleet is over 30 years old.

Total numbers of intercity rail passengers (other than commutation and multiple ride), passenger revenues, and revenue passenger-miles for class I line-haul from 1955 through 1964, were as follows:

Class I line-haul railroad passengers in coach, parlor, and sleeping cars

Year	Revenue passengers	Passenger revenue	Revenue passenger-miles
	Millions	*Millions*	*Billions*
1955	184.2	$641.4	23.8
1956	181.5	649.6	23.3
1957	167.3	621.3	21.1
1958	140.1	551.7	18.5
1959	130.9	526.5	17.5
1960	122.8	517.6	17.1
1961	118.5	497.5	16.2
1962	117.2	492.1	15.9
1963	114.5	457.9	14.4
1964	114.8	443.4	14.0

Source: Bureau of Accounts Statements Q-220.

Twenty-two of the 24 proposals filed with us during the year under section 13a(1) involved the services of 46 passenger trains operating between widely separated cities in various States. Data submitted by the proponent carriers showed steadily shrinking demands for these services, as well as continuing declines in the size of consists and the quality of the affected trains.

Unlike commuter service discontinuance plans, which have been most intensely pursued in the Northeast, proposals for cessation of intercity passenger service have covered operations in all sections of the country. In the Middle Western States, three railroads proposed to discontinue all of their remaining passenger service. We authorized the St. Louis-San Francisco Railway Co. in Finance Dockets Nos. 23547–23552, to discontinue eight passenger trains operating in an area extending from Birmingham to St. Louis and Oklahoma City, but required the carrier to continue four other trains in the area on a rescheduled basis. In Finance Docket No. 23581, the Chicago Great Western Railway Co. was permitted to discontinue two trains running between Omaha and Minneapolis, thus terminating its only remaining passenger service. The Missouri-Kansas-Texas Railroad has filed notice in Finance Dockets Nos. 23657 and 23658 of its intention to discontinue its four remaining passenger trains.

BUS PASSENGER SERVICE

Roughly one-fourth of the Nation's intercity passengers in 1964, excluding automobile travelers, used the bus. With the growth of limited-access interstate highways, terminal-to-terminal bus service has become comparable in terms of time to rail travel. Service to communities of all sizes, both on and off interstate highways, has been responsive to passenger transportation needs. Buses and bus

terminal or depot facilities continue to be improved. The scheduling of longer through operations, coupled with other service improvements, reflects a major effort by the carriers to woo passengers away from the automobile. As an outgrowth of basic passenger operations, bus service now is available for pickup or delivery of packages at approximately 18,000 bus depots across the country. This service provides about 8 percent of the carriers' gross revenues. Another 8 percent is derived from rapidly expanded charter and special service operations.

In 1964, class I motor carriers of passengers reported a 3.1-percent decrease from the previous year in total number of revenue passengers. Major passenger losses were experienced in local and suburban operations, while the level of class I intercity bus passengers remained relatively constant in 1964, and charter and special service passengers increased a reported 10.8 percent. Changes in class I motorbus patronage and operations during 1964 appear to be a continuation of industry trends noted in previous years. Data on revenue passengers, passenger revenue, and bus-miles operated by class I motorbus companies are shown on the following table:

Passenger operations of class I motor carriers of passengers, 1963 and 1964 [1]

	Year		Percent change
	1963	1964	
Total:	*Millions*	*Millions*	*Millions*
Revenue passengers	670.0	649.4	−3.1
Passenger revenue	$613.2	$645.6	+10.5
Bus-miles operated	1,112.5	1,141.8	+3.5
Intercity schedules:			
Revenue passengers	180.3	180.7	+.2
Passenger revenue	$425.3	$442.2	+10.4
Bus-miles operated	817.5	834.5	+2.1
Local and suburban schedules:			
Revenue passengers	442.5	416.4	−5.9
Passenger revenue	$113.2	$113.7	+.4
Bus-miles operated	175.3	171.1	+2.4
Charter or special service:			
Revenue passengers	47.2	52.3	+10.8
Passenger revenue	$74.7	$89.7	+20.1
Bus-miles operated	119.7	136.2	+13.8

[1] Compiled from 216 quarterly reports representing 218 motor carriers of passengers. Does not include reports of 10 carriers that failed to furnish complete data; in 1964, the operating revenues of the 10 carriers were 1.16 percent of the operating revenues of the 216 reporting carriers. Prior to 1964, none of the 10 qualified as class I carriers.

Source: Bureau of Economics, Statement Q-750, 1964.

Despite the decline in 1964 bus patronage to less than 650 million revenue passengers for class I carriers, passenger revenues rose 10.5 percent. Average revenue in 1964 rose to almost $1 per class I motorbus passenger. Bus-miles operated, which have been a relatively constant total in recent years, increased 3.5 percent in 1964. Class I motor carriers of passengers carried 180.7 million revenue passengers in 1964 intercity schedules, approximately the same number as in 1963.

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Passenger revenues from intercity operations rose almost $17 million, an increase of 10.4 percent. Total bus-miles operated, 834.5 million, constituted a 2.1-percent increase over the 1963 total. The 1964 revenue passenger total of 416.4 million for class I local and suburban operations represented a 5.9-percent decrease from the 1963 total. Local and suburban passenger revenues of $113.7 million reported in 1964 were virtually unchanged from 1963, despite patronage losses. Bus-miles operated by class I companies declined 2.4 percent from 1963.[14]

Charter and special services in 1964 continued to be the major growth area for class I motor carriers of passengers. The 1964 revenue passenger total of 52.3 million represented a 10.8-percent increase over 1963 for the reporting carriers. Passenger revenue from charter and special services increased 20.1 percent and were slightly below $90 million in 1964. Bus-miles operated in these services were reported at 136.2 million, up 13.8 percent from 1963. The 1964 results in charter and special bus services reflect in some measure the opening of the New York World's Fair.

The changing character of class I motorbus operations over the past 10 years is shown by the shifts in percentage of revenue and operating totals which the three types of passenger service constituted in 1955 and 1964. The 1955 percentages are derived from the operations of 211 reporting class I carriers; the 1964 percentages represent 216 carriers, and the 1964 percentages include some carriers not in existence or not reporting as class I carriers in 1955. Cumulative percentages may vary slightly from 100.0 percent due to rounding.

Percent of total passenger operations, class I motor carriers of passengers, 1955 and 1964

Type of service	Number of revenue passengers	Passenger revenue	Bus-miles operated
	Percent	*Percent*	*Percent*
Intercity schedules:			
1955	25.9	68.3	74.9
1964	27.8	68.5	73.1
Local and suburban:			
1955	71.0	23.9	19.1
1964	64.1	17.6	15.0
Charter and special:			
1955	3.2	7.7	6.0
1964	8.1	13.9	11.9

[14] Reported changes in local and suburban bus operations to some extent may be a result of Commission revenue classification procedures. Carriers reporting an average busfare in excess of 20 cents per passenger are classified as intercity rather than local and suburban operators. However, both intercity and local and suburban carriers operate intercity and local schedules, and segregate revenues and patronage between these services in their reports to the Commission. Commencing Jan. 1, 1965, the classification of motor carriers of passengers will be based on the percentage division of revenues between intercity schedules and local and suburban operations rather than on average fare per passenger.

Intercity schedules remained relatively constant in total class I motorbus operations between 1955 and 1964. Declines were experienced in the comparative size of local and suburban services. Relative growth was reported in class I charter and special service operations.

The overall change in absolute motorbus industry totals since 1955 has been one of increasing passenger revenues despite sharply declining patronage. Bus-miles operated have fluctuated from year to year but have remained relatively constant in the 1955–64 period. The 1955 and 1964 totals and the percentage change between the 2 years are shown in the following table. The totals in each year are for a different number and differing groups of class I motor carriers of passengers, so precise comparisons are impossible.

Passenger operations, class I motor carriers of passengers, 1955 and 1964

Type of service	Number of revenue passengers	Passenger revenue	Bus-miles operated
Total reported operations:			
1955 (millions)	950.2	$450.6	1,089.1
1964 (millions)	649.4	645.6	1,141.8
Change (percent)	−31.7	+43.3	+4.8
Intercity schedules:			
1955 (millions)	245.8	307.9	815.2
1964 (millions)	180.7	442.2	834.5
Change (percent)	−26.5	+43.6	+2.4
Local and suburban:			
1955 (millions)	674.3	107.8	208.4
1964 (millions)	416.4	113.7	171.1
Change (percent)	−32.2	+5.5	−17.9
Chapter and special:			
1955 (millions)	30.1	34.9	65.5
1964 (millions)	52.3	89.7	136.2
Change (percent)	+73.8	+157.0	+107.9

In addition to charter and special service, express package service of class I motorbus carriers showed significant expansion. Express revenues of 206 reporting carriers were $15.2 million in 1955 and $53.9 million in 1964 for 223 reporting bus companies, an increase of 255 percent.

Charter, Special Services

Operators providing bus service include regular-route motor carriers performing scheduled intercity service and also incidental charter service under section 208(c); carriers providing tour services of various kinds under certificates authorizing special or charter operations, and brokers of passenger transportation. During the year we have considered a number of cases dealing with the overlapping of these services and with their lawfulness.

The Commission historically has found a distinction between regularly scheduled intercity bus service, on the one hand, and, on the other, so-called "special" and "charter" operations authorized by the

Commission under section 207(a) and incidental charter operations authorized by the terms of section 208(c). Special operations are those in which the carrier itself assembles a group of persons to form a tour, such as a sightseeing trip or a visit to on athletic event, and sells an individual ticket to each person. Charter service is usually limited to the transportation of a preformed group which contracts with the carriers for the exclusive use of a motor vehicle. Major intercity carriers have expressed concern that under the guise of offering tours, carriers holding special operations authority are in fact providing what amounts to a repetitive, scheduled passenger service and hereby are invading a field of service properly reserved to regular-route buslines. This issue and related questions are before us in several pending proceedings, including Docket No. MC–94742 (Sub. No. 21), *Michaud Bus Lines, Inc., Extension—Tours;* No. MC–C–4758, *Manhattan Transit Co., et al., Petition Proposing Definition of Special Operations, and* Ex Parte No. MC–65 (Sub. No. 1), *Proposed Rules and Regulations Relating to Special Operations Applications and Certificates.*

BROKERS

The problem of unlicensed passenger brokerage operations was accentuated during the year by the promotion of tours to the World's Fair at New York, as well as by increased opportuntites for special tour operations throughout the country. Warnings by our staff have halted some such operations, and have prompted the offenders to file applications with us for broker licenses.

Brokers of passenger transportation are normally granted authority which limits them to conducting operations at a given point. This limitation has been held to apply only to the place at which the transportation contract is entered into, and brokers have been allowed to advertise and negotiate with prospective customers at other points through the use of traveling sales agents. In *Paragon Travel Agency, Inc., Ext.—Mass. and R.I.*, 96 M.C.C. 79, we found for the first time that a broker also may operate through an actual office at a point not named in its license, so long as the contracts continue to be executed at the named point. This case has been reopened for further consideration by Appellate Division 1.

LEGISLATIVE ACTIVITIES

Throughout this report we have referred, where appropriate, to our activities in connection with legislative proposals affecting national transportation law and practice. The following chapter, which brings together and amplifies those references, fully discusses our appearances before the 1st session of the 89th Congress in its considerations of transportation legislation. The chapter is supplemented by appendix C, which reports on the progress of legislation recommended by the Commission in the 78th Annual Report. Our new legislative recommendations have been transmitted to the Congress in a separate report.

Commission Budget

The Commission appeared before the House Appropriations Subcommittee on Independent Offices on our budget for fiscal year 1966. Later in the session the Commission appeared before a Senate appropriations subcommittee on our budget. In the bill, as finally approved, we received an appropriation of $26,915,000 which was $200,000 more than the fiscal 1965 appropriation. The sum of $35,000 was earmarked for a new motor carrier district office in Wyoming; $1,947,650 for railroad safety and $1,310,000 for locomotive inspection.

Northeast Rail Passenger Service

On March 3, 1965, the Commission testified before the Senate Commerce Committee on four bills: S. 325, S. 348, S. 1234, and S. 1289. The primary purpose of S. 325 and S. 1289 is to assist common carriers of passengers by railroads in preserving and improving essential passenger train services and facilities by providing financial aid to such carriers. The primary purpose of S. 348 and S. 1234 is to encourage the preservation and development of a modern and efficient passenger rail transportation service in the Northeast seaboard area by granting the consent and approval of Congress for States in this area to enter into a compact to create their own rail authority. The Commission indicated that it has long been concerned about the debilitating effect of passenger train deficits on many of the Nation's railroads. Although we supported temporary financial assistance to alleviate the critical rail passenger situation in the Northeast, we made it clear that

we do not favor any permanent program of direct Federal grants to preserve rail passenger service. The Commission also indicated that it considered the proposed rail authorities as possible long-range solution of the railroad passenger problem in the Northeast area, but that legislation authorizing multi-State compacts should not be expected to provide immediate relief.

High-Speed Ground Transportation

On June 29, 1965, the Commission testified before the Subcommittee on Transportation and Aeronautics of the House Interstate and Foreign Commerce Committee on H.R. 5863, and on June 14, 1965, testified before the Subcommittee on Surface Transportation of the Senate Commerce Committee on S. 1588, the purpose of which is to authorize the Secretary of Commerce to (1) conduct research and development in different forms of high-speed ground transportation; (2) conduct demonstration projects to measure public response to improvements in intercity rail passenger service utilizing present technology; and (3) conduct a national program to improve the scope and availability of transportation statistics. The Commission indicated it favored the general objectives of the bills. S. 1588 was approved on September 30, 1965, as Public Law 89–220.

Motor Carrier Enforcement Legislation

On March 23, 1965, the Commission testified before the House Committee on Interstate and Foreign Commerce on H.R. 5401, a bill designed primarily to strengthen the national transportation system by providing more effective remedies against unlawful motor carrier operations. H.R. 5401, as amended, was approved on September 6, 1965, as Public Law 89–170.

On May 10, 1965, the Commission testified before the Subcommittee on Surface Transportation of the Senate Commerce Committee on a similar bill, S. 1727.

Section 1 of the act specifically authorized us to make cooperative agreements with the States to enforce Federal and State economic and safety laws and regulations concerning highway transportation. The Commission recommended the enactment of this provision.

Section 2 of the act amended section 202(b) of the Interstate Commerce Act to provide for the establishment of standards for the registration within the several States of certificates and permits issued to motor carriers by the Commission. We would be required to promulgate uniform standards adopted by the National Association of Railroad and Utilities Commissioners. At the present time, registration

requirements differ widely among the States. The Commission indicated that relief from a multiplicity of State registration requirements is desirable and, therefore, recommended enactment of this provision.

Section 3 of the act amended section 222(h) of the Interstate Commerce Act so as to extend the civil forfeiture provisions to unlawful operations, other than safety violations, by motor carriers. Section 3 would also increase the amount of forfeitures which could be imposed. The Commission testified in favor of section 3, although we preferred to include safety regulations and to set a minimum amount for civil forfeitures (see app. C, Legislative Recommendation No. 22).

Section 4 of the act amended section 222(b) of the Interstate Commerce Act by enabling the Commission to obtain service of process upon motor carriers or brokers and to join other necessary parties without regard to where the carrier or other party may be served. The Commission strongly recommended the enactment of this provision (see app. C, Legislative Recommendation No. 21).

Section 4 also added a new paragraph (2) to section 222(b) which provides that any person who is injured as a result of an operation by another person, in clear and patent violation of the operating authority requirements of the Interstate Commerce Act, may apply directly to a U.S. district court for an injunction to restrain such violations. The Commission testified in favor of this provision.

Section 5 of the act amended section 417(b) of the Interstate Commerce Act by adding a new paragraph (2) similar to that in section 222(b).

Sections 6 and 7 of the act permit a court of competent jurisdiction to award reparations to persons injured through violations of the Interstate Commerce Act by motor carriers and freight forwarders. The Commission indicated that it favored these sections, although we preferred that persons injured through such violations be given the option either to file a formal complaint with the Commission or to bring suit in the appropriate district court of the United States (see app. C, Legislative Recommendation No. 15).

Highway Safety

On March 25, 1965, the Commission testified before the Subcommittee on Executive Reorganization of the Senate Committee on Government Operations on highway safety. We emphasized that the Commission is extremely conscious of its responsibility with respect to highway safety and is concerned about the increasing toll of fatalities and serious injuries on the Nation's highways. While much has been achieved, the Commission realizes that the highway accident problem may become even more acute with increased traffic and the trend to heavier

and more powerful commercial vehicles. Recognizing this challenge, the Commission is preparing to meet it.

Freight Car Shortage

On April 7, 1965, the Commission testified before the Freight Car Shortage Subcommittee of the Senate Commerce Committee on S. 179 and S. 1098 and on October 5, 1965, the Commission testified before the House Interstate and Foreign Commerce Committee on H.R. 7165 and S. 1098—bills to amend section 1(14)(a) of the Interstate Commerce Act to insure the adequacy of the national freight car supply. The purpose of these bills is to give the Interstate Commerce Commission, in its determination of the per diem charges to be paid for the use of freight cars, authority to prescribe a charge which would encourage the construction and maintenance of an adaquate car supply. The Commission stated that the diminishing supply of railroad freight cars and the efficient utilization of the remaining fleet have been of major concern to the Commission for many years. It indicated that it favored the enactment of these bills. S. 1098 passed the Senate June 30, 1965 and was reported by the House committee on October 20, 1965 (see app. C, Legislative Recommendation No. 6).

Daylight Saving Time

On April 26, 1965, the Commission testified before the Senate Commerce Committee on S. 1404, a bill to establish uniform dates throughout the United States for the commencing and ending of daylight saving time in those States and local jurisdictions where it is observed. The Commission indicated that although it preferred a more comprehensive approach, it supports S. 1404 because its enactment would contribute significantly to the achievement of greater uniformity in time throughout the United States. S. 1404 passed the Senate on June 3, 1965 (see app. C, Legislative Recommendation No. 19).

Administrative Procedure Act

On May 14, 1965, the Commission testified before the Senate Subcommittee on Administrative Practice and Procedure of the Senate Judiciary Committee on S. 1336—a bill to amend the Administrative Procedure Act. The Commission indicated that S. 1336 contained many objectionable provisions, including (1) the provisions in the public information section of the bill which would establish a rigid indexing requirement and would require compliance with demands for records which, without some further clarification, could be unreasonable demands; (2) the imposition of stringent separation-of-functions requirements in ratemaking, and in all merger and licensing proceed-

ings; (3) the infusion of costly and delay-producing judicialized hearing and appellate procedures in the Commission's present, comparatively simple, case-processing techniques; and (4) the shifting of decisional responsibility from the duly appointed agency members to hearing officers. For these reasons the Commission did not support S. 1336.

Pipeline Safety Regulations

On May 18, 1965, the Commission testified before the House Interstate and Foreign Commerce Committee on H.R. 5041, and on June 3, 1965, the Commission testified before the Senate Committee on Commerce on S. 1021—to amend the definition of "carrier" (18 U.S.C. 831), to give the Interstate Commerce Commission responsibility for the safety regulation of oil pipelines operated in interstate commerce. The Commission testified that the proposed legislation is desirable because it would protect interstate carriers against the threat of conflicting legislation by the States, and would also enable the Commission to cope with any safety hazard in any area in the future by virtue of changes in the operations or traffic consist of pipelines. H.R. 5041 became Public Law 89–95 on July 27, 1965.

Transportation of Mail By Motor Carriers

On May 25, 1965, the Commission testified before the House Subcommittee on Postal Operations of the House Post Office and Civil Service Committee on H.R. 6472, the purpose of which is to enable regulated motor carriers to transport mail on the same general basis as rail and air carriers. The Commission favored the basic objectives of this legislation, but indicated that the bill, in its present form, is not workable.

Reorganization Plan No. 3 of 1965

On July 7, 1965, the Commission testified before the Subcommittee on Executive and Legislative Reorganization of the House Committee on Government Operations on Reorganization Plan No. 3 of 1965, and on July 20, 1965, the Commission testified before the Subcommittee on Executive Reorganization of the Senate Committee on Government Operations on the same plan. The purpose of this plan is to centralize responsibility for locomotive inspection by transferring to the Commission the functions of the Director of Locomotive Inspection and to eliminate outmoded statutory requirements respecting the number of inspection districts, the duties of locomotive inspectors, and the appointment of the Director and Assistant Director of Locomotive Inspection. The Commission indicated that it favored Reorganization

Plan No. 3 of 1965. Reorganization Plan No. 3 became effective July 27, 1965.

Public Law 88–108—Railroad Work Rule Dispute

On August 30, 1965, the Commission testified before the Senate Commerce Committee on the administration of Public Law 88–108 involving the railroad work rule dispute. The Commission's testimony was concerned primarily with the railroad safety aspects of the legislation. We supplied statistical information which showed an increase in the number of rail accidents, but we also indicated that from the information now available we are unable to determine whether the rise in accidents is a result of the decrease in the number of firemen.

APPENDIX A

COMMISSION ORGANIZATION

There are four principal offices and six bureaus of the Commission, the heads of which report to the Chairman via the channels indicated on the organizational chart.

Commissioners

Name	Term: Oath of office	Term: Term expires
Charles A. Webb, *Chairman*	Sept. 30, 1958	Dec. 31, 1972
John W. Bush, *Vice Chairman*	Apr. 3, 1961	Dec. 31, 1971
Howard G. Freas	Aug. 18, 1953	Dec. 31, 1966
Kenneth H. Tuggle	Sept. 8, 1953	Dec. 31, 1968
Rupert L. Murphy	Dec. 30, 1955	Dec. 31, 1971
Laurence K. Walrath	Mar. 29, 1956	Dec. 31, 1970
Abe McGregor Goff	Feb. 12, 1958	Dec. 31, 1966
William H. Tucker	Apr. 3, 1961	Dec. 31, 1967
Paul J. Tierney	Mar. 29, 1963	Dec. 31, 1969
Virginia Mae Brown	May 25, 1964	Dec. 31, 1970
Willard Deason	Sept. 8, 1965	Dec. 31, 1972

Staff Officials

Office of the Chairman:	
Legislative Counsel	Frank E. McCarthy
Congressional Liaison Officer	James T. Corcoran
Chief Mobilization Officer	Wynne G. Alley
Office of the Managing Director:	
Managing Director	Bernard F. Schmid
Assistant Managing Director	Ernest Weiss
Director of Personnel	Curtis F. Adams
Office of the Secretary:	
Secretary	H. Neil Garson
Assistant Secretary	Bertha F. Armes
Public Information Officer	Warner L. Baylor
Office of the General Counsel:	
General Counsel	Robert W. Ginnane
Deputy General Counsel	I. K. Hay
Office of Proceedings:	
Director	Bertram E. Stillwell
Deputy Director, Section of Operating Rights	Sheldon Silverman
Deputy Director, Section of Rates and Practices	Alvin L. Corbin
Deputy Director, Section of Finance	Thaddeus W. Forbes
Chief Hearing Examiner	James C. Cheseldine
Bureau of Accounts:	
Director	Matthew Paolo
Assistant Director	Howard J. Domingus
Assistant Director	Richard J. Ferris

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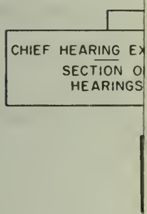
Staff Officials—Continued

Bureau of Enforcement:	
Director	Asa J. Merrill
Assistant Director	Bernard A. Gould
Assistant Director	Marcus L. Meyer
Bureau of Operations and Compliance:	
Director	George A. Meyer
Assistant Director	Martin E. Foley
Bureau of Railroad Safety and Service:	
Director	Robert D. Pfahler
Assistant Director	H. R. Longhurst
Assistant Director and Chief of Section of Car Service	Paul J. Reider
Assistant Director and Chief of Section of Railroad Safety	Henry L. Hilzinger
Chief of Section of Locomotive Inspection	Philip J. Brannigan
Bureau of Traffic:	
Director	Edward H. Cox
Assistant Director	Robert Newel
Bureau of Economics:	
Director	Edward Margolin
Assistant Director	Robert G. Rhodes

Directory of Interstate Commerce Commission Field Offices

Region	*Territory*	*Regional headquarters and field office addresses*
1	Regional headquarters.	Robert L. Abare Regional Manager, 30 Federal St., Boston, Mass., 02110.
	Connecticut	223 Federal Bldg., 135 High St., Hartford, Conn., 06101.
	Maine	305 Post Office and Courthouse, 76 Pearl St., Portland, Maine, 04112. Mail address: Post Office Box 167, P.S.S.
	Massachusetts	30 Federal St., Boston, Mass., 02110. 338 Federal Bldg., 436 Dwight St., Springfield, Mass., 01103.
	New Hampshire	6 Campbell St., Lebanon, N.H., 03766.
	New Jersey	363 Industrial Office Bldg., 1060 Broad St Newark, N.J., 07102. 410 Post Office Bldg., 402 East State St., Trenton, N.J., 08608.
	New York	518 New Federal Bldg., Maiden Lane and Broadway, Albany, N.Y., 12207.
		215 Post Office and Courthouse, Binghamton, N.Y., 13902.
		324 Post Office Bldg., 121 Ellicott St., Buffalo, N.Y., 14203.
		Room 1111, 346 Broadway, New York, N.Y., 10013.
		1025 Chimes Bldg., 109 West Onondaga St., Syracuse, N.Y., 13202.



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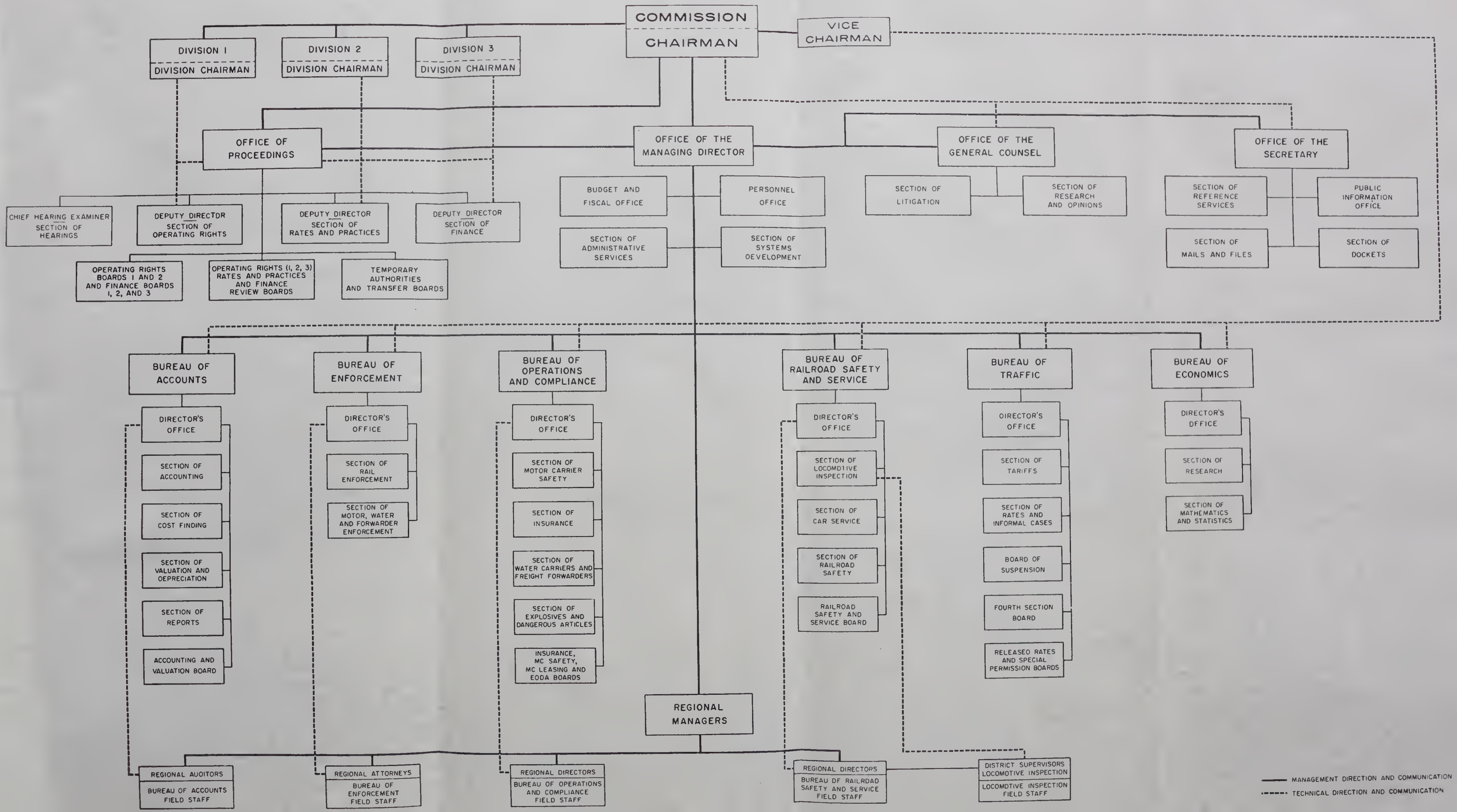
INTERSTATE COMMERCE COMMISSION



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***Directory of Interstate Commerce Commission Field Offices*—Continued**

Region	*Territory*	*Regional headquarters and field office addresses*
	Rhode Island	187 Westminster St., Providence, R.I., 02903.
	Vermont	See nearest ICC Field Office in Massachusetts, New Hampshire, or New York.
2	Regional headquarters	Fred E. Cochran, Regional Manager, 900 Customhouse, Second and Chestnut Sts., Philadelphia, Pa., 19106.
	Delaware	See nearest ICC Field Office in New Jersey, Maryland, or Pennsylvania.
	District of Columbia	12th and Constitution Ave. NW., Washington, D.C., 20423.
	Maryland	312 Appraisers Stores Bldg., 103 South Gay St., Baltimore, Md., 21202.
		206–B Post Office Bldg., East Main and Baptist Sts., Salisbury, Md., 21801.
	Ohio	1010 Federal Bldg., 550 Main St., Cincinnati, Ohio, 45202.
		435 Federal Bldg., 215 Superior Ave. NE., Cleveland, Ohio, 44114.
		236 New Post Office Bldg., 85 Marconi Blvd., Columbus, Ohio, 43215.
		5234 Federal Office Bldg., 234 Summit St., Toledo, Ohio, 43604.
		610 Schween Wagner Bldg., 125 West Commerce St., Youngstown, Ohio, 44503.
	Pennsylvania	218 Central Industrial Bldg., 100 North Cameron St., Harrisburg, Pa., 17101.
		900 Customhouse, Second and Chestnut Sts., Philadelphia, Pa., 19106.
		2109 Federal Bldg., 1000 Liberty Ave., Pittsburgh, Pa., 15222.
		309 Post Office Bldg., North Washington, Ave. and Linden St., Scranton, Pa., 18503.
	Virginia	250 Post Office Bldg., 600 Granby St., Norfolk, Va., 23501.
		10–502 Federal Bldg., 400 North 8th St., Richmond, Va., 23240.
		215 Campbell Ave. SW., Roanoke, Va., 24011.
	West Virginia	3202 Federal Office Bldg., 500 Quarrier St., Charleston, W. Va., 25301.
		531 Hawley Bldg., 1025 Main St., Wheeling, W. Va., 26003.
3	Regional headquarters.	James B. Weber, Regional Manager, 680 West Peachtree St. NW., Atlanta, Ga., 30308.
	Alabama	1325 City Federal Bldg., 2026 2d Ave., North, Birmingham, Ala., 35203.
		439–A U.S. Court and Customhouse, Mobile, Ala., 36602.

***Directory of Interstate Commerce Commission Field Offices*—Continued**

Region	*Territory*	*Regional headquarters and field office addresses*
	Florida	428 Post Office Bldg., 311 West Monroe St., Jacksonville, Fla., 32201. Mail address: Post Office Box 4969.
		Room 1621, 51 Southwest 1st Ave., Miami, Fla., 33130.
		Room 507, 500 Zack St., Tampa, Fla., 33602.
	Georgia	680 West Peachtree St. NW., Atlanta, Ga., 30308.
	Kentucky	207 Exchange Bldg., 147 North Upper St., Lexington, Ky., 40507.
		426 Post Office Bldg., 601 West Broadway, Louisville, Ky., 40202.
	Mississippi	320 U.S. Post Office and Courthouse, Jackson, Miss., 39201.
	North Carolina	Room 206, 327 North Tryon St., Charlotte, N.C., 28202.
		401 Oberlin Rd., Raleigh, N.C. Mail address: Post Office Box 10885, Cameron Village Station, Raleigh, N.C., 27605.
	South Carolina	509 Federal Office Bldg., 901 Sumter St., Columbia, S.C., 29201.
	Tennessee	390 Federal Office Bldg., 167 North Main St., Memphis, Tenn., 38103.
		706 U.S. Courthouse, 801 Broadway, Nashville, Tenn., 37203.
4	Regional headquarters.	Norman T. Harris, Regional Manager, 1086 U.S. Courthouse and Federal Office Bldg., 219 South Dearborn St., Chicago, Ill., 60604.
	Illinois	1086 U.S. Courthouse and Federal Office Bldg., 219 South Dearborn St., Chicago, Ill., 60604.
		476 Land of Lincoln Bldg., 325 West Adams St., Springfield, Ill., 62704.
	Indiana	308 Federal Bldg., Fort Wayne, Ind., 46802.
		8th Floor, Century Bldg., 36 South Pennsylvania St., Indianapolis, Ind., 46204.
	Michigan	Room 1110, David Broderick Tower Bldg., 10 Witherill St., Detroit, Mich., 48226.
		221 Federal Bldg., 325 West Allegan St., Lansing, Mich., 48933.
	Minnesota	425 Post Office Bldg., Duluth, Minn., 55801.
		448 Federal Bldg., and U.S. Courthouse, 110 South 4th St., Minneapolis, Minn., 55401.
	North Dakota	116 South Plaza Bldg., 1621 South University Dr., Fargo, N. Dak., 58101.
	South Dakota	Karcher Bldg., 366½ South Pierre St., Pierre, S. Dak., 57501.

Directory of Interstate Commerce Commission Field Offices—Continued

Region	*Territory*	*Regional headquarters and field office address*
	Wisconsin	Room 100, 214 North Hamilton St., Madison, Wis., 53703.
		511 Cawker Bldg., 108 West Wells St., Milwaukee, Wis., 53203.
5	Regional headquarters	Bernard H. English, Regional Manager, 816 Texas and Pacific Bldg., Throckmorton and Lancaster Sts., Forth Worth, Tex., 76102.
	Arkansas	2519 Federal Office Bldg., Capitol and State Sts., Little Rock, Ark., 72201.
	Iowa	235 Post Office Bldg., 4th and Perry St., Davenport, Iowa, 52801.
		227 Federal Office Bldg., 5th St. and Court Ave., Des Moines, Iowa, 50309.
		304 Post Office Bldg., Sioux City, Iowa, 51101.
	Kansas	309 Federal Bldg., Topeka, Kans., 66603.
		906 Schweiter Bldg., 106 North Main St., Wichita, Kans., 67202.
	Louisiana	Room T–4009 Federal Bldg., and U.S. Post Office, 701 Loyola Ave., New Orleans, La., 70113.
		625 Ricou-Brewster Bldg., 425 Milam St., Shreveport, La., 71101.
	Missouri	1100 Federal Office Bldg., 911 Walnut St., Kansas City, Mo., 64106.
		3248 Federal Bldg., 1520 Market St., St. Louis, Mo., 63103.
	Nebraska	315 U.S. Courthouse and Post Office Bldg., 129 North 10th St., Lincoln, Nebr., 68508.
		705 Federal Office Bldg., 106 South 15th St., Omaha, Nebr., 68102.
	Oklahoma	350 American General Bldg., 210 Northwest 6th St., Oklahoma City, Okla., 73102.
	Texas	Miller Bldg., 918 Tyler St., Amarillo, Tex., 79101.
		513 Thomas Bldg., 1314 Wood St., Dallas, Tex., 75202.
		107–A Post Office Bldg., 219 Mills St., El Paso, Tex., 79901.
		816 Texas and Pacific Bldg., Throckmorton and Lancaster Sts., Fort Worth, Tex., 76102.
		8610 Federal Bldg., and U.S. Courthouse, 515 Rusk Ave., Houston, Tex., 77061. Mail address: Post Office Box 61212.
		Room 206 Manion Bldg., 301 Broadway, San Antonio, Tex., 78205.

***Directory of Interstate Commerce Commission Field Offices*—Continued**

Region	*Territory*	*Regional headquarters and field office address*
6	Regional headquarters	Ernest D. Murphy, Regional Manager, Rm. 450 Multnomah Bldg., 120 S.W. 4th St., Portland, Oreg., 97204
	Alaska	Room 52–53 Federal Bldg., Anchorage, Alaska, 99501. Mail address: Post Office Box 1532.
	Idaho	203 Eastman Bldg., 105 North 8th St., Boise, Idaho, 83702.
	Montana	315 Post Office and Federal Courthouse, Billings, Mont., 59101.
		105 Civic Center Bldg., Great Falls, Mont., 59401.
	Oregon	Rm. 450 Multnomah Bldg., 120 S.W. 4th St., Portland, Oreg., 97204
	Washington	6130 Arcade Bldg., 1319 2d Ave., Seattle, Wash., 98101.
		401 Post Office Bldg., West 914 Riverside Ave., Spokane, Wash., 99201.
	Wyoming	See nearest ICC Field Office in Montana, Idaho, Utah, Colorado, Nebraska, or South Dakota.
7	Regional headquarters	George L. Wilmot, Regional Manager, 13001 Federal Office Bldg., 450 Golden Gate Ave., Box 36004, San Francisco, Calif., 94102.
	Arizona	5045 Federal Bldg., 230 North 1st Ave., Phoenix, Ariz., 85025.
	California	7708 Federal Bldg., 300 North Los Angeles St., Los Angeles, Calif., 90012.
		13001 Federal Office Bldg., 450 Golden Gate Ave., Box 36004, San Francisco, Calif., 94102.
	Colorado	2022 Federal Office Bldg., 1961 Stout St., Denver, Colo., 80202.
	Nevada	212 Telegraph Bldg., 11 West Telegraph St., Carson City, Nev., 89701.
	New Mexico	109 U.S. Courthouse, 4th and Gold Sts., Albuquerque, N. Mex., 87101.
	Utah	2224 Federal Bldg., 125 South State St., Salt Lake City, Utah, 84111.

APPENDIX B

COMMISSION WORKLOAD

Proceedings cases opened and closed, 1961–65

	Calendar year				Fiscal year			
	1961	1962	1963	1964	1962	1963	1964	1965
Pending beginning of year	5,099	4,629	4,711	7,042	5,002	4,688	7,738	6,357
Openings during year	7,391	8,009	11,004	8,573	7,588	10,655	8,511	9,575
Closings during year	7,861	7,927	8,673	9,634	7,902	7,605	9,892	9,939
Pending end of year	4,629	4,711	7,042	5,981	4,688	7,738	6,357	5,993

Processing time for proceedings cases

	Assignment of case for modified procedure or oral hearing procedure			Decision or closing action			Total closings		
	Fiscal year			Fiscal year			Fiscal year		
	1963	1964	1965	1963	1964	1965	1963	1964	1965
	Average number of months								
Orally heard rail merger cases		1.2	2.8		28.3	43.5		6	8
Rail finance, convenience and necessity, and securities cases other than orally heard rail merger cases [1]	1.5	1.2	1.7	5.0	4.4	5.5	422	384	468
Motor carrier finance cases	2.7	2.2	2.9	11.2	9.9	11.3	330	305	453
Motor carrier operating authority cases	2.6	3.0	3.5	7.4	9.3	10.4	4,425	6,707	6,689
Motor carrier complaint cases	4.0	2.5	2.0	5.3	7.7	9.5	541	439	467
Water carrier cases	6.5	5.6	19.0	12.7	8.0	27.4	13	58	49
Formal dockets, rate complaints, and investigations	3.1	1.3	1.3	16.1	14.5	15.6	351	380	356
Investigation and suspension, motor	.5	.6	.5	2.5	2.4	2.2	1,274	1,316	1,244
Investigation and suspension, rail	1.6	1.1	.9	6.2	5.2	4.0	175	200	132
Freight forwarder, fourth section, etc				13.8	19.9	22.1	74	97	73
Grand total				6.9	8.4	9.4	7,605	9,892	9,939

[1] Includes orally heard rail merger cases for years prior to 1964.

Operating Rights

Volume and disposition of cases

	July 1, 1963 through June 30, 1964	July 1, 1964, through June 30, 1965
MOTOR CARRIER		
Applications for permanent common carrier certificates, contract carrier permits, brokers licenses:		
Received	5,268	6,353
Reopened	182	197
Hearings	3,528	3,028
Disposed of, including reopened proceedings:		
Withdrawn or dismissed without report	1,065	1,158
By effective recommended order	2,116	1,306
By the Commission or a division of the Commission, or Operating Rights Board No. 1, or Operating Rights Review Boards	1,484	3,320
Applications granted in whole or in part	2,908	3,844
Applications denied or dismissed in report	692	782
Pending at end of year	3,975	4,741
Petitions disposed of	866	1,073
COMPLAINTS, ETC.		
Complaints, rulemaking, and revocation proceedings:		
Formal complaints filed, including subnumbers	29	27
Investigations instituted	93	76
Reopened	21	14
Hearings	98	66
Disposed of, including subnumbers and reopened proceedings:		
Dismissed or discontinued	57	65
By effective recommended order	19	25
By the Commission or a division of the Commission	61	99
Pending at end of year	191	119
Petitions disposed of	59	67
WATER CARRIER		
Applications for permanent water carrier operating rights:		
Received	44	30
Reopened	4	0
Hearings	13	17
Disposed of, including reopened proceedings:		
Withdrawn or dismissed without report	12	14
By effective recommended order	14	1
By the Commission or a division of the Commission	30	17
Applications granted in whole or in part	27	12
Applications denied or dismissed in report	17	6
Pending at end of period	32	30
Petitions disposed of	7	4
FREIGHT FORWARDER		
Applications for freight forwarder operating rights:		
Received	21	12
Reopened	0	1
Hearings	7	20
Disposed of, including reopened proceedings:		
Withdrawn or dismissed without report	5	4
By effective recommended order	1	3
By the Commission or a division of the Commission	8	7
Applications granted in whole or in part	7	6
Applications denied or dismissed in report	2	4
Pending at end of period	30	29
Petitions disposed of	2	11
ALASKA-HAWAII "GRANDFATHER" APPLICATIONS		
Reopened	9	3
Hearings held	56	29
Disposed of:		
Dismissed, without report	16	2
By effective recommended order	51	17
By the Commission or a division of the Commission	47	34
Applications granted in whole or in part	50	34
Applications denied or dismissed in report	48	17
Pending at end of year	55	5
Petitions disposed of	25	25

Operating Rights—Continued

Volume and disposition of cases—Continued

	July 1, 1963 through June 30, 1964	July 1, 1964 through June 30, 1965
AGRICULTURAL "GRANDFATHER" APPLICATIONS		
Applications for "grandfather" and "interim" motor carrier operating rights:[1]		
Reopened	6	8
Hearings	3	3
Disposed of, including reopened proceedings:		
Withdrawn or dismissed without report	1	0
By effective recommended order	0	1
By the Commission or a division of the Commission	4	13
Applications granted in whole or in part	2	12
Applications denied or dismissed in report	2	2
Pending at end of year	11	5
Petitions disposed of	6	11
CONVERSION APPLICATIONS		
Applications for conversion and investigation under sec. 212(c):		
Reopened	2	2
Disposed of, including reopened proceedings:		
By effective recommended order	0	0
By the Commission or a division of the Commission	0	4
Applications granted in whole or in part	0	3
Pending at end of year	3	1
Petitions disposed of	2	3
CERTIFICATES OF REGISTRATION		
Applications for "grandfather" certificates of registration under sec. 206(a)(7):		
Received	0	2
Reopened	0	2
Hearings	4	7
Disposed of:		
Rejected	117	0
Dismissed or withdrawn	45	30
By effective recommended order	1	1
By a division of the Commission, or Operating Rights Board No. 2	1,883	793
Pending at end of year	829	9
Petitions disposed of	16	211
Applications for certificates of registration under sec. 206(a)(6):		
Received	54	50
Dismissed or withdrawn	0	1
By a division of the Commission	0	1
Disposed of by Operating Rights Board No. 2	22	48
Pending at end of year	32	32
Petitions disposed of	0	2
TEMPORARY AUTHORITY, ETC.		
Applications for temporary authority under sec. 210a(a):		
Received	4,714	5,202
Disposed of	4,733	5,177
Granted in whole or in part	3,858	4,389
Denied	875	788
Pending at end of year	39	64
Petitions disposed of	474	474
Applications to file State certificates:		
Filed	0	0
Disposed of	8	0
Pending at end of year	0	0
Petitions disposed of	5	24
Applications to deviate from regular routes:		
Filed	478	478
Disposed of	493	500
Pending at end of year	74	52
Petitions disposed of	2	5
Proceedings to revoke operating rights without hearing:		
Instituted	676	667
Disposed of	668	642
Pending at end of year	79	104

[1] Filed under sec. 7(c) of the Transportation Act of 1958.

TABLE 1.—*Summary of dispositions for fiscal 1964, 1965*

	July 1, 1963 through June 30, 1964	July 1, 1964, through June 30, 1965
Formal case docket (applications for operating authorities, complaints, investigations, rulemaking, etc.):		
Disposed of	5,958	7,284
Informal case docket (temporary authority and deviation applications, and revocation proceedings not subject to hearing):		
Disposed of	6,383	6,822
Certificates of registration (applications under sections 206(a) (6), and (7):		
Disposed of	2,084	1,087
Total all proceedings	14,425	15,193

TABLE 2.—*Motor carrier operating authorities*

	As of June 30, 1964	As of June 30, 1965
Property carriers:		
Common, issued certificates under sec. 206 or 207	11,271	11,165
Common, issued certificates under sec. 212(c)	341	341
Common, issued certificates under sec. 7(c), Transportation Act of 1958	406	401
Common, issued certificates under sec. 206(a)(5)	40	49
Common, "grandfather" under sec. 206(a)(7) not yet issued certificate of registration	1,326	383
Common, issued certificates of registration under sec. 206(a)(7)	1,507	2,267
Common, issued certificates of registration under sec. 206(a)(6)	4	28
Contract, issued permits under sec. 209	2,463	2,557
Contract, issued permits under sec. 7(c), Transportation Act of 1958	25	25
Total property carriers	17,383	17,216
Passenger carriers:		
Common, issued certificates under sec. 206 or 207	1,148	1,142
Common, issued certificates under sec. 212(c)	1	1
Common, issued certificates under sec. 206(a)(5)	1	1
Common, "grandfather" under sec. 206(a)(7) not yet issued certificate of registration	65	43
Common, under sec. 206(a)(7)	14	26
Common, under sec. 206(a)(6)	3	5
Contract, issued permits under sec. 209	15	14
Total passenger carriers	1,247	1,232
Total motor carriers	18,630	18,448
Brokers issued licenses under sec. 211:		
Property	70	70
Passenger	211	233
Total brokers	281	303

Finance

TABLE 1.—*Applications under section 5(2) of the Interstate Commerce Act, involving large railroads pending June 30, 1965*

Finance Docket No.	Nature of transaction
21215	Merger of Atlantic Coast Line R. Co. into Seaboard Air Line R. Co.
21313	Acquisition by Illinois Central R. Co. of control of Louisville & Nashville R. Co.
21478	Consolidation of the Great Northern Ry. Co., Northern Pacific Ry. Co., Chicago, Burlington & Quincy R. Co., and Pacific Coast R. Co. into Great Northern Pacific & Burlington Lines, Inc., and lease by that company of Spokane, Portland & Seattle Ry. Co.
21755	Acquisition by Missouri Pacific R. Co. of control of Chicago & Eastern Illinois R. Co.
21892	Acquisition by Illinois Central R. Co. of control of Chicago & Eastern Illinois R. Co.
21989	Merger of New York Central R. Co. into Pennsylvania R. Co.
22688	Acquisition by Chicago & North Western Ry. Co. of control of Chicago, Rock Island & Pacific R. Co.
22951	Consolidation of Missouri Pacific R. Co. and Texas & Pacific Ry. Co. into Texas & Missouri Pacific R. Co.
23178	Acquisition by Chesapeake & Ohio Ry. Co. and Baltimore & Ohio R. Co. of control of Western Maryland Ry. Co.
23285 [1]	Merger of Chicago, Rock Island & Pacific R. Co. into Union Pacific R. Co.
23388 [1]	Merger of Chicago Great Western Ry. Co. into Chicago & North Western Ry. Co.
23566 [1]	Acquisition by Chesapeake & Ohio Ry. Co. of control of Chicago South Shore & South Bend R.
23645 [1]	Acqusition by Monon R. of control of Chicago South Shore & South Bend R.

[1] These applications were filed during fiscal year 1965.

TABLE 2.—*Authorizations under section 5(2) of the Interstate Commerce Act, as amended, involving railroad properties* [1]

Acquiring carrier	Owning carrier	Miles	How acquired
Atchison, Topeka & Santa Fe Ry. Co.	Gulf, Colorado & Santa Fe Ry. Co., Panhandle & Santa Fe Ry. Co., and Kansas City, Mexico & Orient Ry. Co. of Texas.	3,683.26	Merger.
Baltimore & Ohio R. Co.	Dayton & Michigan R. Co.	141.08	Control.
Baltimore & Ohio R. Co. and Chesapeake & Ohio Ry. Co.	Baltimore & Ohio R. Co. and Cheaspeake & Ohio Ry. Co.	33.29	Trackage rights exchange.
Boise Cascade Corp.	Minnesota, Dakota & Western Ry. Co.	32.66	Control.
Central R. Co. of New Jersey, Reading Co., Lehigh Coal & Navigation Co., and Lehigh Valley R. Co.	Central R. Co. of New Jersey, Reading Co., Lehigh Coal & Navigation Co. and Lehigh Valley R. Co.	80.0	Operating agreement.
Chesapeake & Ohio Ry. Co.	Louisville & Nashville R. Co. (modification of labor conditions).		Trackage rights.
Cleveland, Cincinnati, Chicago & St. Louis Ry. Co. and New York Central R. Co.	Philadelphia, Baltimore & Washington R. Co.	107.0	Do.
Iowa Terminal R. Co.	Charles City Western Ry. Co.	43.86	Merger.
Lehigh Valley R. Co.	Reading Co., Lehigh Coal & Navigation Co., Central R. Co. of New Jersey, and Lehigh & Susquehanna R.	56.0	Easement.
Missouri-Illinois R. Co.	St. Louis-San Francisco Ry. Co.	28.72	Trackage rights.
	Missouri Pacific R. Co.	110.59	
	MacArthur Bridge	6.65	
	Terminal R. Assn.	.18	
Missouri-Kansas-Texas R. Co.	Missouri Pacific R. Co.	37.24	Do.
Do.	Fort Worth & Denver Ry. Co.	112.887	Do.
Missouri Pacific R. Co. and Mississippi River Fuel Corp.	Chicago & Eastern Illinois R. Co.	1,005.06	Control.
New York Central R. Co. and Alleghany Corp.	Hudson River Connecting R. Corp.	153.12	Merger and control.
Pittsburgh & Lake Erie R. Co. (Del.)	Pittsburgh & Lake Erie R. Co. (Ohio & Pa.)	185.20	Merger.
Pittsburgh & Lake Erie R. Co.	Pittsburgh, McKeesport & Youghiogheny R. Co.	100.19	Do.
Reading Co.	North Pennsylvania R. Co.	94.4	Mod. lease agreement.
St. Louis Southwestern Ry. Co. and St. Louis Southwestern Ry. Co. of Texas.	Southern Pacific Co.	26.032	Trackage rights.
Southern Pacific Co.	Pacific Electric Ry. Co.	315.98	Merger.

[1] Listed authorizations do not include those involving less than 25 miles of track.

54 applications filed. 55 applications granted. 5 applications denied.

TABLE 3.—*Certificates of convenience and necessity issued for abandonment, construction, acquisition, and operation of lines of railroad under sec. 1(18) of the Interstate Commerce Act, as amended*

	Miles
I. Abandonment applications filed, 107	2,224.0
Certificates of abandonment:	
Granted, 117	1,538.5
Denied, 1	121.3
Dismissed, 13	908.5
Abandonments permitted since effective date of act	51,723.5
II. Construction applications filed, 20	202.6
Granted, 18	275.8
Denied, 5	56.5
Dismissed, 3	36.4
III. Acquisition and operation applications filed, 19	233.7
Granted, 18	241.3
Denied, 1	.2
Dismissed, 3	3.3

TABLE 4.—*Train discontinuance proceedngs under sec. 13a of the Interstate Commerce Act*

Number of train discontinuances requested	494
Number permitted	286
Number denied	11
Number dismissed	12
Number pending	185

TABLE 5.—*Applications and petitions involving securities under secs. 20a and 214 of the Interstate Commerce Act*

	Filed	Decided
Application of:		
Railroads or their noncarrier parent companies	80	84
Motor carriers or their noncarrier parent companies	86	97
Total	166	181
Petitions of railroads and motor carriers and their noncarrier parent companies	30	33

TABLE 6.—*Loan guaranty applications approved*

Railroad	Number of applications	Total amount guaranteed	Approved but not disbursed	Repayments	Unpaid balance, June 30, 1965
Boston & Maine	5	$9,000,000		$1,741,667	$7,258,333
Central of New Jersey	2	20,000,000		1,050,000	18,950,000
Chicago & Eastern Illinois	2	14,800,000		811,250	13,988,750
Erie-Lackawanna	1	15,000,000			15,000,000
Georgia & Florida	2	1,934,960	$100,000	1,834,960	
Lehigh Valley	5	21,823,000		5,225,000	16,598,000
Missouri-Kansas-Texas	3	34,000,000		1,760,000	32,240,000
Monon	2	10,500,000		300,000	10,200,000
New York Central	1	40,000,000		6,600,000	33,400,000
New Haven	4	23,159,400		3,944,800	19,214,600
New Haven Trustees	2	12,500,000			12,500,000
New York, Susquehanna & Western	2	855,000		249,150	605,850
Norfolk Southern	2	7,400,000			7,400,000
Pittsburgh & W. Va	2	3,000,000	1,400,000	500,000	1,100,000
Reading	1	30,000,000	5,000,000		25,000,000
Total	36	243,972,360	6,500,000	24,016,827	213,455,533

TABLE 7.—*Authorizations under sec. 5(2) of the Interstate Commerce Act, as amended, for unifications involving the 100 largest motor carriers of property*

Acquiring carrier	1964 revenues (thousands)	Rank	Acquired carrier	Revenues: Year	Revenues: Thousands	Rank	How acquired
American Commercial Lines, Inc. (a water carrier).	$23,556	------	Terminal Transport Co., Inc.	1964	$26,116	46	Purchase and control.
			Johnson Freight Lines Co., Inc.	1964	4,910	------	Control.
Arkansas-Best Freight System, Inc.	20,985	60	Delta Motor Line, Inc.	1964	6,100	------	Merger.
Associated Transport, Inc.	79,045	5	Federal Express, Inc.	1964	7,054	------	Purchase.
			Keystone Motor Express, Inc.	1964	2,591	------	Merger.
Associated Truck Lines, Inc.	34,046	26	Marion Trucking Co., Inc.	1962	1,525	------	Purchase.
Boutell (F. J.) Driveaway Co., Inc.	13,791	100	Contract Cartage Co.	1964	1,695	------	Purchase (portion).
Branch Motor Express Co.	26,299	44	Morgan Trucking Co., Inc.	1964	3,956	------	Merger.
Central Motor Lines, Inc.	16,869	80	Winston-Elkins Motor Express, Inc.	1964	27	------	Control.
Chemical Leaman Tank Lines, Inc.	32,779	30	Frank Cosgrove Transportation Co., Inc.	1963	374	------	Purchase (portion).
Denver-Chicago Trucking Co., Inc.	48,481	12	Red Ball Express Co.	1964	4,489	------	Control.
East Texas Motor Freight Lines, Inc.	22,828	57	Hoover Motor Express Co., Inc.	1964	17,969	71	Purchase (portion).
Garrett Freight Lines, Inc.	36,358	22	United States Express (John O. England, trustee).	1961	1,067	------	Purchase.
Gateway Transportation Co., Inc.	41,497	17	Tamiami Freightways, Inc.	1964	9,741	------	Control.
			Adkins Cargo Express, Inc.	1964	2,053	------	Do.
Gordons Transports, Inc.	25,903	47	T. M. Worthy, d/b/a Worthy Motor Lines	1963	43	------	Purchase.
Hemingway Transport, Inc.	25,642	49	J. E. Faltin Motor Transportation, Inc.	1964	2,754	------	Control.
			Novick Transfer Co., Inc.	1964	5,030	------	Control and merger.
Hennis Freight Lines, Inc.	44,582	16	Pioneer Transport, Inc.	1964	763	------	Do.
			Hancock Trucking, Inc. (Sheldon A. Key, trustee).	1961	3,392	------	Purchase.
Hodges (Joe) Transportation Corp.	747	------	Illinois-California Express, Inc.	1964	31,159	36	Purchase (portion).
Interstate Motor Freight System	63,744	8	Karn's Transfer	1964	301	------	Purchase.
Jones Motor Co., Inc.	31,671	33	Allan J. Wilson, d/b/a A. Towle Co. (Allan J. Wilson, Jr., et al., administrators).	1964	499	------	Do.
Kenosha Auto Transport Corp.	29,147	41	Fugate & Girton Driveaway Co., Inc.	1964	1,877	------	Do.
McLean Trucking Co.	59,369	9	Chicago Express, Inc.	1964	7,901	------	Control.
			Springfield Freight Lines, Inc.	1963	170	------	Purchase (portion).

TABLE 7.—*Authorizations under sec. 5(2) of the Interstate Commerce Act, as amended, for unifications involving the 100 largest motor carriers of property*—Continued

Acquiring carrier	1964 revenues (thousands)	Rank	Acquired carrier	Revenues: Year	Revenues: Thousands	Rank	How acquired
North American Van Lines, Inc	47,536	13	Hardesty Moving & Storage Corp	1964	148	--------	Purchase.
			Continental Van Lines, Inc	1963	250	--------	Control.
Norwalk Truck Lines, Inc	35,083	25	Peoria Cartage Co	1962	2,747	--------	Purchase.
			Valley Freight Lines, Inc	1964	1,737	--------	Do.
Overnite Transportation Co	23,667	55	Rutherford Freight Lines, Inc	1964	2,425	--------	Do.
Red Star Express Lines of Auburn, Inc	14,339	95	Brown's Express, Inc	1964	726	--------	Control.
Ringsby Truck Lines, Inc	23,214	56	Ray Hume, d/b/a Ray Hume Trucking	1963	105	--------	Purchase.
Ryder System Inc., a holding company	117,950	20	Hoover Motor Express Co	1964	17,969	71	Control.
Ryder Truck Lines, Inc	38,161	--------	Ryder Truck Lines of Tennessee, Inc	1964	3,338	--------	Merger.
St. Johnsbury Trucking Co., Inc	18,499	90	Arthur E. Card, Jr., d/b/a N.H. & Vt. Transportation.	1963	38	--------	Purchase.
Smith's Transfer Corp. of Staunton, Va	17,651	74	Springfield Freight Lines, Inc	1963	170	--------	Do.
			Huber & Huber Motor Express, Inc	1964	15,267	90	Control.
Strickland Transportation Co., Inc	17,037	78	Strickland Motor Freight Lines, Inc	1964	11,449	--------	Merger.
T.I.M.E. Freight, Inc	33,197	29	Constructors Transport Co	1962	1,050	--------	Control and merger.
Transcon Lines	32,359	32	Indianapolis-Kansas City Motor Express Co	1964	5,134	--------	Purchase.
			Decatur Seaway Motor Express, Inc	1964	4,434	--------	Do.
United-Buckingham Freight Lines	30,564	37	Buckingham Transfer, Inc	1964	960	--------	Control and merger.
			Buckingham Express, Inc	1964	917	--------	Do.
			Expressways, Inc. (John G. Reiber, trustee)	1961	1,606	--------	Purchase (portion).
U.S. Truck Lines, Inc., of Delaware	44,470	--------	Central Truck Lines, Inc	1964	17,796	73	Control.
Valley Motor Lines, Inc	19,274	68	Weeks Company Transfer, Inc. (Patricia Grover, trustee).	1964	332	--------	Purchase.
Western Gillette, Inc. (formerly Cantlay & Tanzola, Inc.).	5,148	--------	Western Gillette, Inc	1964	29,516	39	Merger.
Yale Transport Corp	33,544	28	Atlantic Bonded Transportation Co., Inc	1964	107	--------	Purchase.
Younger Brothers, Inc	2,220	--------	Ringsby Truck Lines, Inc	1964	23,214	56	Purchase (portion).
			Arizona Pacific Tank Lines	1964	2,426	--------	Do.

TABLE 8.—*Summary of motor carrier unification proceedings*

	July 1, 1963, to June 30, 1964	July 1, 1964, to June 30, 1965
Finance applications, complaints and investigations under sec. 5:		
Received or instituted	[1] 308	[1] 361
Reopened	13	8
Hearings	175	216
Under submission at end of period	88	77
Applications disposed of, including reopened proceedings:		
By effective recommended order:		
Granted in whole or in part	34	55
Denied	8	12
By report of the Commission or a dvision of the Commission:		
Granted in whole or in part	47	90
Denied	22	27
By report of an employee board:		
Granted in whole or in part	110	176
Denied	19	22
Dismissed	35	38
Investigations terminated	13	16
Pending at end of period	316	249
Petitions disposed of	130	186
Temporary authority applications under sec. 210a(b):		
Received	163	213
Disposed of:		
Granted in whole or in part	117	148
Denied	51	68
Pending at end of period	6	3
Petitions disposed of	66	62
Rulemaking proceeding under sec. 5(1):		
Reopened	0	1
Pending at end of period	0	1
Applications for transfer or lease of operating rights under sec. 212(b) and sec. 206(a) (6) or (7):		
Received	984	942
Hearings	2	5
Disposed of:		
Granted in whole or in part:		
Transfer to new entity	726	726
Transfer to another carrier	123	140
Denied	83	96
Dismissed	72	75
Pending at end of period	181	86
Petitions disposed of	154	181

[1] These figures include for the respective years 7 and 10 proceedings under sec. 5(7). They do not include 40 and 63 related applications for certificates under sec. 207, handled concurrently with the sec. 5 applications.

TABLE 9.—*Applications of the Interstate Commerce Act, under sec. 312, 410(g), and 5(2), involving water carriers and freight forwarders*

	July 1, 1963, to June 30, 1964	July 1, 1964, to June 30, 1965
Applications for transfer or lease of operating rights under sec. 312:		
Pending at beginning of period	1	1
Received	4	5
Hearings	0	2
Disposed of:		
Granted in whole or part	3	4
Denied, dismissed, withdrawn	0	0
Pending at end of period	1	3
Petitions or other subsequent matters disposed of	1	3
Applications for transfer or lease of operating rights under sec. 410(g):		
Pending at beginning of period	0	0
Received	1	2
Hearings	0	1
Disposed of:		
Granted in whole or part	1	1
Denied, dismissed, withdrawn	0	0
Pending at end of period	0	1
Petitions disposed of	0	0
Applicatons for unification of water carriers under sec. 5(2):		
Pending at beginning of period	1	1
Received	3	3
Disposed of:		
Granted in whole or part	3	3
Pending at end of period	1	1
Petitions disposed of	0	2

Rates

Volume and disposition of cases

	Fiscal year 1964		Fiscal year 1965	
	Motor	Rail	Motor	Rail
Pending at beginning of year	378	440	246	313
Instituted, filed, and reopened during year:				
Investigations and suspensions	1,215	178	1,262	124
Formal complaints	30	109	34	111
Investigations	46	43	42	46
Ex parte proceedings	2	16	5	6
Fourth-section applications	--------	9	--------	1
Sec. 25 proceedings	1	23	--------	27
Others [1]	9	--------	10	--------
Received during year	1,303	378	1,353	315
Total on hand and received	1,681	818	1,599	628
Disposed of during year:				
Investigations and suspensions:				
By report of Commission, division or board	244	64	198	33
By effective recommended order	2	2	3	--------
Discontinued	1,069	134	1,043	99
Formal complaints:				
By report of Commission, division or board	19	94	14	137
By effective recommended order	5	35	4	24
Discontinued	14	27	7	10
Investigations:				
By report of Commission, division or board	40	70	19	55
By effective recommended order	13	6	15	7
Discontinued	19	8	10	24
Ex parte proceedings:				
By report of commission, division or board	4	5	3	5
By effective recommended order	--------	3	1	6
Discontinued	1	3	--------	1
Fourth-section applications:				
By report of Commission, division or board	--------	16	--------	1
By effective recommended order	--------	2	--------	--------
Discontinued	--------	6	--------	1
Sec. 25 proceedings:				
By report of Commission, division or board	--------	4	1	6
By effective recommended order	--------	24	--------	21
Discontinued	--------	1	--------	--------
Others:[1]				
By report of Commission, division or board	3	--------	7	--------
By effective recommended order	1	--------	1	--------
Discontinued	1	1	--------	--------
Total	1,435	505	1,326	430
Pending at end of year	246	313	273	198
Petitions:				
Pending at beginning of year	22	38	36	39
Received during year:				
Investigation and suspensions	127	60	119	28
Formal complaints	30	141	50	128
Investigations	39	63	43	54
Ex parte proceedings	5	12	4	4
Fourth-section applications	--------	26	--------	5
Sec. 25 proceedings	--------	1	1	--------
Others [1]	5	--------	10	--------
Total	206	303	227	219
Total on hand and received	228	341	263	258
Disposed of during year:				
Investigations and suspensions	122	67	125	32
Formal complaints	29	126	53	149
Investigations	36	72	49	50
Ex parte proceedings	1	10	8	5
Fourth-section applications	--------	25	--------	5
Sec. 25 proceedings	--------	2	1	--------
Others [1]	4	--------	11	--------
Total	192	302	247	241
Petitions pending at end of year	36	39	16	17

[1] Includes sec. 5(a) applications, released rate proceedings, freight forwarder complaints, water carrier applications, motor carrier applications, and finance applications involving rate matters.

Tariffs and Informal Cases

TABLE 1.—*Tariffs and schedules, fiscal year 1965*

	Received	Criticized	Rejected
Freight:			
Common carrier, tariffs:			
Rail	57,300	4,048	625
Motor	133,929	13,672	3,756
Water	2,809	82	48
Pipeline	721	43	8
Freight forwarder	9,485	432	133
Total	204,244	18,277	4,570
Contract carrier, schedules:			
Motor	3,300	1,674	549
Water	37	2	1
Total	3,337	1,676	550
Total freight	207,581	19,953	5,120
Passenger, tariffs:			
Common carrier:			
Rail	5,725	919	98
Motor	6,889	1,231	212
Water	60	15	0
Total	12,674	2,165	310
Contract carrier: Motor	92	0	0
Express, tariffs:			
Rail	375	12	0
Motor	96	58	0
Total	471	70	0
Total passenger and express	13,237	2,235	310
Grand total	220,818	22,188	5,430

TABLE 2.—*Other tariff activities, fiscal year 1965*

Special permission applications:	
Pending, July 1, 1964	189
Received	9,381
Withdrawn	329
Granted	8,094
Denied	996
Pending, July 1, 1965	151
Released rates applications:	
Pending, July 1, 1964	16
Received	106
Withdrawn	11
Granted	74
Denied	20
Pending, July 1, 1965	17
Contracts—motor contract carrier:	
Received	4,779
Criticized	257
Contracts—freight forwarder:	
Received	33,501
Criticized	1,324
Powers of attorney, concurrences, and revocations thereof:	
Received	12,598
Criticized	1,921
Proposed certificates and permits for permanent operating authority:	
Freight	6,464
Passenger	1,074
Total received	7,538
Transfers of operating rights:	
Freight	1,425
Passenger	253
Total	1,678

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TABLE 2.—*Other tariff activities, fiscal year 1965*—Continued

Revocation orders (revocation of operating authority):	
Freight	700
Passenger	335
Total	1, 035
Temporary operating authority cases (application filed pursuant to section 210(a) for authority to operate temporarily)	5, 087
Quotations of reduced rates filed pursuant to section 22 for the transportation of property for the U.S. Government	29, 737

TABLE 3.—*Board of Suspension*

Protested adjustments handled	4, 627
Protests received from:	
Competing carriers	3, 367
Shippers and receivers	1, 405
Government agencies	73
Total	4, 845
Tariff publications protested	9, 341
Protested proposals reflected:	
Increases	415
Reductions	4, 043
Increases and reductions	119
No change	50
Total	4, 627
Petitions for reconsideration of Board's conclusion not to suspend	467
Petitions for reconsideration of Board's action in suspending	89
Other petitions (to investigate, discontinue investigations, etc.)	94
Investigation and suspension proceedings discontinued when matter canceled under special permission	511

Action taken on protested adjustments

	Rail	Motor	Water	Freight forwarder	Express pipeline	Total	
						Number	Percent
Suspended in full	83	1, 614	9	81	0	1, 787	38.6
Suspended in part	4	69	1	11	0	85	1.8
Not suspended (permitted to become effective)	467	1, 256	66	80	9	1, 878	40.6
Otherwise disposed of (schedules rejected, protest withdrawn, protested schedules canceled by carriers, etc.)	71	771	5	29	1	877	19.0
Total	625	3, 710	81	201	10	4, 627	100.0

TABLE 4.—*Fourth Section Board*

Applications:		
On hand beginning of year		82
Received during year		764
Disposed of during year:		
Granted	742	
Denied	13	
Withdrawn	9	
Total		764
Pending at end of year		82
Petitions for modifications of orders:		
On hand beginning of year		1
Received during year		34
Disposed of during year:		
Granted	33	
Denied	1	
Withdrawn	1	
Total		35
Pending at end of year		0

TABLE 5.—*Informal cases and related work*

Informal complaints:	
On hand beginning of year	726
Received during year	1, 559
Disposed of during year	1, 863
Pending at end of year	422
Special dockets: [1]	
On hand beginning of year	568
Received during year	676
Disposed of during year	771
Pending at end of year	473
Requests for photostatic copies and certificates of tariff publications processed during the year	693
Waybills manually processed	29, 807

[1] The reparation approved totaled $880,741.

Enforcement

TABLE 1.—*Summary of activities, fiscal year 1965*

	R–W–F	Motor [1]	Total
Field investigations:			
On hand at beginning of year	321	873	1, 194
Commenced during year	359	1, 345	1, 704
Concluded during year	439	1, 411	1, 850
Pending at end of year	241	[2] 807	1, 048
Court proceedings:			
On hand at beginning of year	87	449	536
Commenced during year	110	967	1, 077
Concluded during year	81	938	1, 019
Pending at end of year	116	478	594
Commission proceedings:			
On hand at beginning of year	25	238	263
Commenced during year	5	144	149
Concluded during year	9	194	203
Pending at end of year	21	188	209

[1] Generally, Bureau of Operations and Compliance field personnel are utilized to conduct these investigations.
[2] Includes completed final reports in the possession of the attorneys.

TABLE 2.—*Court cases concluded and fines imposed*

	Court cases concluded	Fines imposed
Motor carrier (not including safety)	468	$364,959.68
Rail, water and freight forwarder (not including safety)	45	134,900.00
Motor carrier safety	442	301,000.00
Motor carrier explosives	28	11,125.00
Rail, water and freight forwarder explosives	36	10,101.00
Railroad safety:		
Safety appliances	558	464,750.00
Hours of service	63	38,200.00
Accident reports	8	5,650.00
Signal inspection	13	4,400.00
Locomotive boiler inspection	8	3,500.00

Motor Carrier Field Program

	Fiscal year	
	1964	1965
Enforcement:		
Complaints warranting possible enforcement action:		
On hand at beginning of and received during year	8,021	8,348
Field investigations	5,557	5,919
Awaiting investigation at end of year	2,464	2,582
Other complaints (service, claims, household goods, etc.):		
Received and disposed of informally by telephone, correspondence, or field action	10,248	10,767
Investigations with view of ICC or court action:		
On hand at start of and received during year	1,586	1,648
Completed during year	1,285	1,349
Awaiting investigation at end of year	301	311
Vehicle inspections involving possible unlawful operations	3,682	3,999
Motor carriers examined for general compliance	2,091	1,948
Enforcement interpretations	6,380	7,027
Operating authority:		
Investigations and reports on applications for:		
Permanent operating authority	218	349
Temporary operating authority	4,687	5,324
State certificate filings	54	53
Revocation of authority or dismissal of application	426	387
Transfer of operating authority	811	854
Authorization to temporarily operate properties sought to be acquired	127	199
Consolidation, merger, purchase, control, etc	74	106
Interpretations	17,413	21,704
Rates and tariffs:		
Investigation and reports on overall rate and tariff compliance	572	585
Assistance in preparation of special permission applications, tariffs and schedules, adoption notices and supplements, concurrences and powers of attorney, and revocation of concurrences and powers of attorney	1,580	1,825
Examination of tariffs and schedules	1,622	1,689
Interpretations	3,456	5,449
Insurance:		
Investigations and reports on insurance compliance	3,730	4,341
Interpretations	2,318	2,551
Accounts:		
Investigations and reports on:		
Change in classification for accounting regulation purposes	27	36
Delinquent accounting reports	2,539	2,709
Interpretations	1,744	2,216
Safety: See app. E.		

Accounts

	Work units completed
1. Examination of carriers' accounts and records:	
Railroads	179
Motor carriers	900
Water carriers	10
Others	27
2. Depreciation studies processed:	
Railroads	10
Pipelines	4
3. Final pipeline valuation reports prepared	73
4. Development of construction indices:	
Railroads	171
Pipelines	37
5. Elements of value railroad reports prepared	139
6. Accounting reviews of motor carrier annual reports	2, 095
7. Analyses of cost evidence in formal proceedings	152
8. Cost analysis of suspension and Temporary Authorities Boards' cases	3, 043
9. Cost and formula development operation research	17
10. Cost studies and publications	10
11. Processing of applications and requests for special accounting rules, Accounting and Valuation Board	20

APPENDIX C

PROGRESS OF LEGISLATION RECOMMENDED BY THE COMMISSION IN THE 78TH ANNUAL REPORT

In our 78th Annual Report to Congress, 1964, we made the following legislative recommendations:

1. That sections 20a and 214 be amended so as expressly to exempt from the Commission's jurisdiction thereunder, securities issued by States, municipalities, or other governmental bodies which are carriers as defined in part I or part II of the act.

S. 1142 and H.R. 5246 were introduced, upon request, to implement this recommendation. H.R. 5246 became Public Law 89–86 on July 24, 1965.

2. That section 22 be amended so as to permit the performance of transportation services for governmental bodies free or at reduced rates only to the extent such services: (*a*) are performed during time of war or national emergency, or (*b*) involve transportation which remains exempt from economic regulation under parts II and III of the act.

S. 1726 and H.R. 5868 were introduced, upon request, to implement this recommendation. No action was taken on these bills.

3. That in furtherance of the National Transportation Policy, we recommend that the Congress give consideration to amending the Interstate Commerce Act and related statutes so as to provide for greater flexibility in the transportation of mail by authorizing more efficient use of regulated motor common carriers and the new Interstate Highway System.

The Commission did not submit a bill to implement this recommendation. However, Congressman Thaddeus J. Dulski introduced H.R. 6472, the basic purpose of which is consistent with our recommendation. On May 25, 1965, and June 22, 1965, hearings were held on H.R. 6472. In these hearings the Commission indicated that it favored the general purpose of the bill but did not believe that its specific provisions were workable.

4. That part III of the act be amended to provide for revocation of water carrier certificates or permits for nonuse.

S. 1143 and H.R. 5250 were introduced, upon request, to implement this recommendation. This recommendation was later added as an amendment to H.R. 5401 and subsequently a modified version of our recommendation was incorporated in Public Law 89–170.

5. That the Medals of Honor Act applicable to outstanding acts of heroism involving railroads and motor carriers be repealed.

S. 1144 and H.R. 5251 were introduced, upon request, to implement this recommendation. On March 23, 1965, hearings were held before the House Interstate and Foreign Commerce Committee and on May 10, 1965, hearings were held before the Senate Subcommittee on Surface Transportation. No action was taken.

6. That section 1(14) be amended to authorize the Commission to determine whether per diem charges for the use of railroad freight cars shall be computed on the basis of cost of ownership and maintenance, value of use, or

upon such other basis or combination of bases as will, in its judgment, provide reasonable compensation to the owner, contribute to sound car service practices, and encourage the acquisition of an adequate national fleet of freight cars.

S. 1098 is identical to S. 1786 and H.R. 7165 which were introduced, at our request. On April 7, 1965, hearings were held on S. 1098 before the Senate Subcommittee on Freight Car Shortage; on June 30, 1965 the Senate Commerce Committee reported S. 1098 (S. Rept. 386); on June 30, 1965, S. 1098 passed the Senate. On October 5, 1965, hearings were held on S. 1098 before the House Committee on Interstate and Foreign Commerce; on October 20, 1965, the House Committee on Interstate and Foreign Commerce reported S. 1098 (H. Rept. 1183).

7. That (*a*) section 1(22) be amended so as expressly to include within the exemption from the Commission's jurisdiction contained in that section, the construction, acquisition, operation, abandonment, and joint ownership or joint use of spur, industrial, team, switching, or side tracks, and terminals incidental thereto, whether located in one or more States, and (*b*) that section 5(2)(a)(ii) be amended so as to conform to section 1(22), as so amended, and to section 1(18).

S. 1145 and H.R. 5245 were introduced, at our request, to implement this recommendation. On March 23, 1965, the House Interstate and Foreign Commerce Committee held hearings on H.R. 5245; on May 10, 1965, the Senate Subcommittee on Surface Transportation held hearings on S. 1145. No further action was taken.

8. That section 5(1) be amended so as to exempt contracts, agreements, or combinations affecting the transportation of household goods to which any common carrier by motor vehicle may be a party with other such carrier or carriers for the pooling or division of traffic, service, or earnings.

S. 1146 and H.R. 5240 were introduced, at our request, to implement this recommendation. On March 23, 1965, the House Interstate and Foreign Commerce Committee held hearings on H.R. 5240 and on May 10, 1965, the Senate Subcommittee on Surface Transportation held hearings on S. 1146. No further action was taken on these bills.

9. That section 5(10) be amended so as to make gross operating revenue, instead of the number of vehicles owned or operated, the basis for determining whether a proposed unification or acquisition of control is exempt from the provisions of section 5.

S. 1147 and H.R. 5242 were introduced, upon request, to implement this recommendation. On March 23, 1965, the House Interstate and Foreign Commerce Committee held hearings on H.R. 5242 and on May 10, 1965, the Senate Subcommittee on Surface Transportation held hearings on S. 1147. H.R. 5242 became Public Law 89–93 on July 27, 1965.

10. That section 17(2) be amended so as to authorize the Commission to delegate to qualified individual employees, including transportation economists and specialists, those matters which have not involved the taking of testimony at a public hearing or the submission of evidence by opposing parties in the form of affidavits.

S. 1148 and H.R. 5243 were introduced, upon request, to implement this recommendation. S. 1148 was passed by the Senate July 20, 1965. The House Interstate and Foreign Commerce Committee held hearings March 23, 1965. No further action was taken.

11. That section 19a be amended in the following respects: (1) To eliminate the requirement that the Commission determine the present value of land; (2) to eliminate the requirement that the Commission determine the valuation of property held by carriers for purposes other than for use in common carrier service; (3) to eliminate the requirement that the Commission ascertain and report the amount, value, and disposition of aids, gifts, grants, and donations and the amount and value of concessions and allowances made by carriers in consideration thereof; and (4) to make optional the requirement that the Commission keep itself informed of changes in the quantity of the property of carriers, following the completion of the original valuation of such property.

S. 1149 and H.R. 5247 were introduced, upon request, to implement this recommendation. On March 23, 1965, the House Interstate and Foreign Commerce Committee held hearings on H.R. 5247; on May 10, 1965 the Senate Subcommittee on Surface Transportation held hearings on S. 1149. No further action was taken.

12. That section 20a(12) be amended so as to (*a*) eliminate the necessity for prior approval of the Commission for a person to hold the position of officer or director of more than one carrier when such carriers are in a single integrated system of carriers lawfully operated under common control, and (*b*) to make it clear that the prohibition against the holding by "any person" of the position of officer or director of more than one carrier applies to the holding of such positions by different members, officers, employees, or directors of the same firm, copartnership, corporation, association, or joint stock association, or to the representation of a person on the board of directors of more than one carrier through an agent or nominee.

S. 1150 and H.R. 5241 were introduced, upon request, to implement this recommendation. On May 27, 1965, H.R. 5241 passed the House; on May 10, 1965, hearings were held on S. 1150 before the Senate Subcommittee on Surface Transportation. No further action has been taken in the Senate.

13. That part II be amended so as to authorize the Commission to exempt from the requirements of that part, or any provision thereof, such service and transportation as may be determined by the Commission in appropriate rulemaking proceedings to be of such nature, character, or quantity as not substantially to affect or impair uniform regulation of motor carriers engaged in interstate or foreign commerce in effectuating the National Transportation Policy.

S. 1151 and H.R. 5248 were introduced, upon request, to implement this recommendation. No further action was taken.

14. That parts I, II, and III be amended to authorize the Commission, after investigation and hearing, when necessary and desirable in the public interest, to require the establishment of through routes and joint rates between motor common carriers of property and between those carriers and common carriers by rail, express, and water.

S. 1785 and H.R. 7166 were introduced, upon request, to implement this recommendation. No further action was taken.

15. That sections 204a and 406a be amended to make common carriers by motor vehicle and freight forwarders, respectively, liable for the payment of damages in reparation awards to persons injured by them through violations of the act.

S. 1732 and H.R. 5869 were introduced, upon request, to implement this recommendation. An amended version of these bills became part of H.R. 5401 and

S. 1727. Sections 6 and 7 of H.R. 5401 would permit a court of competent jurisdiction to award reparations to persons injured through violations of the Interstate Commerce Act by motor carriers and freight forwarders. The Commission recommended a broader provision; that persons injured through such violations be given the option either to file a complaint with the Commission or to bring suit in the appropriate district court of the United States. Sections 6 and 7 of H.R. 5401 became part of Public Law 89–170.

16. That section 204(a)(3) be amended to make more definite the Commission's authority to prescribe regulations governing the safety of operations and equipment of private carriers of property by motor vehicle.

S. 1784 and H.R. 7168 were introduced, upon request, to implement this recommendation. No further action was taken.

17. That section 220(f) of the Interstate Commerce Act, section 8 of the Locomotive Inspection Act, and section 4 of the Accident Reports Act be amended so as to (*a*) incorporate in the Locomotive Inspection Act a prohibition against use in a damage suit of any report sent by a carrier under that act; (*b*) prohibit the introduction in evidence in any damage suit of the report submitted to the Commission by its accident investigators; (*c*) prohibit expert opinion testimony by the Commission's accident investigators in damage suits; and (*d*) restrict factual testimony by the Commission's accident investigators to cases where factual evidence is not reasonably available from other sources.

S. 1152 and H.R. 5249 were introduced, upon request, to implement this recommendation. On March 23, 1965, the House Interstate and Foreign Commerce Committee held hearings on H.R. 5249; on May 10, 1965, the Senate Subcommittee on Surface Transportation held hearings on S. 1152.

18. That, in view of the prohibitions in section 1001 of title 18, United States Code, that the Interstate Commerce Act and various related acts be amended to eliminate the mandatory requirements that certain reports, applications, and complaints be filed with the Commission under oath, and that such oath provisions be made discretionary with the Commission.

S. 1153 and H.R. 5244 were introduced, upon request, to implement this recommendation. On March 23, 1965, the House Interstate and Foreign Commerce Committee held hearings on H.R. 5244 and on May 10, 1965, the Senate Subcommittee on Surface Transportation held hearings on S. 1153. No further action was taken.

19. That a uniform system of time standards and measurement be established for the United States; that the observance of such time standards be required for all purposes; that careful consideration be given to the question of whether the Commission is the most appropriate agency to administer the provisions of any future law relating to standard time; and in the event the present Standard Time Act (15 U.S.C. 261–264) is not changed or amended so as to provide a more efficient and effective system of time regulation, that the Commission be relieved of the responsibility for its administration.

H.R. 7167 was introduced, upon request, to implement this recommendation. On April 26, 1965, the Senate Commerce Committee held hearings on S. 1404, a less comprehensive bill. On June 3, 1965, the Senate passed S. 1404. No further action was taken in the House.

20. That the procedures for judicial review of orders of the Commission be changed so as to provide: (*a*) that review be upon appeals to the United States Court of Appeals in all cases where at present a special three-judge court is used; (*b*) that review be permitted in any judicial circuit wherein

the party or any of the parties filing the request for review have their residence or principal office; (*c*) that final review by the Supreme Court of the United States be only by petition for a writ of certiorari; (*d*) that a limit of 60 days be imposed as the time within which a petition for review must be filed in any case for which the present statutory provisions do not fix a period for filing petitions for review, such 60-day period to run from the date of entry of the order appealed from or entry of order denying reconsideration thereof where petitions for reconsideration are allowed by the Commission's rules, whichever is later; (*e*) that appeals be commenced by the filing of a petition for review in the form of a notice of appeal; (*f*) that anyone seeking review be required to serve notice of appeal upon all parties to the proceeding before the Commission, the Department of Justice, and the Commission; (*g*) that provision be made for consolidation in a single court of multiple appeals from a single order of the Commission; and (*h*) that review proceedings be brought against the Commission as defendant, rather than against the United States, with the Department of Justice to have the right to intervene in any proceeding.

No legislation has been introduced to implement this recommendation.

21. That section 222(b) be amended to enable the Commission in enforcement proceedings to obtain service of process upon motor carriers and to permit the joining of any other necessary party without regard to where the carrier or other party may be served.

S. 1728 and H.R. 5398 were introduced, upon request, to implement this recommendation. This recommendation became section 4 of H.R. 5401 which became Public Law 89–170.

22. That section 222(h) be amended so as to (*a*) extend the civil forfeiture provisions therein to unlawful operations and safety violations by motor carriers, (*b*) permit the Commission to institute forfeiture actions directly in the courts, and (*c*) increase substantially the amount of the forfeitures prescribed.

S. 1733 and H.R. 5396 were introduced, upon request, to implement this recommendation. An amended version of this recommendation became part of section 3 of H.R. 5401. Section 3 of H.R. 5401 would amend section 222(h) of the Interstate Commerce Act so as to extend the civil forfeiture provisions to unlawful operations, other than safety violations, by motor carriers. Section 3 would also increase the amount of forfeiture which could be imposed, but it would not set a minimum civil forfeiture. The Commission's recommendation included violations of safety regulations and in addition proposed a $200 minimum civil forfeiture. Section 3 of H.R. 5401 became part of Public Law 89–170.

23. That (*a*) section 203(b)(5) be amended to provide that agricultural cooperatives shall be entitled to exempt status thereunder only upon application and proof of eligibility, and (*b*) that section 220 be amended to permit the Commission or its duly authorized agents to inspect the books, records, and other documents kept or maintained by such cooperatives.

S. 1729 and H.R. 5400 were introduced, upon request, to implement this recommendation. No further action has been taken.

24. That (*a*) section 402(c) be amended to provide that shipper associations shall be entitled to exempt status thereunder only upon application and proof of eligibility, and (*b*) that section 412 be amended to permit the Commission or its duly authorized agents to inspect the books, records, and other documents kept or maintained by such associations.

S. 1730 and H.R. 5397 were introduced, upon request, to implement this recommendation. No further action was taken.

> 25. That section 212(a) be amended in the following respects: (1) to make motor carrier operating authorities subject to suspension, change, or revocation for willful failure to comply with any rule or regulation lawfully promulgated by the Commission; (2) to make the revocation procedure therein prescribed conform to the procedure provided in section 410(f) of the act by eliminating the term "willfully" in the first proviso; and (3) to provide that the Commission may, upon reasonable notice, suspend motor carrier operating authorities for failure to comply with insurance regulations issued by it pursuant to section 215 thereof.

S. 1731 and H.R. 5399 were introduced, upon request, to implement this recommendation. On March 23, 1965, the House Interstate and Foreign Commerce Committee held hearings on H.R. 5399; on May 10, 1965, the Senate Subcommittee on Surface Transportation held hearings on S. 1731. No further action was taken.

APPENDIX D

PUBLICATIONS

Financial and Traffic Statistics[1]

Annual

Transport Statistics in the United States. Detailed data on traffic, operations, equipment, finances, and employment for carriers subject to the Interstate Commerce Act (rail carriers, motor carriers, water carriers, oil pipelines, freight forwarders, Railway Express, Inc., Pullman Co., and private car owners).

Freight Commodity Statistics, Class I Railroads in the United States. Carloads and tons of revenue freight originated, terminated, and received from connecting carriers, and gross freight revenue.

Motor Carrier Freight Commodity Statistics, Class I Common and Contract Carriers of Property. Numbers of truckloads and tons of freight originated terminated, and delivered to connecting carriers, and gross freight revenue.

Selected Statistics of Class III Motor Carriers of Property. Operating revenues and expenses, intercity operating data, and revenue equipment owned and leased.

Compensation of Officers, Directors, etc., Class I Railroads. Detailed compensation data showing the name of the railroad company, title of position, salary per annum, and other compensation.

M–300—Wage Statistics of Class I Railroads in the United States—Calendar Year. Number of employees, service hours, and compensation by occupation: Professional, clerical, and general; maintenance of way and structures; maintenance of equipment and stores; etc.

Q–600—Transportation Revenue and Traffic of Large Oil Pipeline Companies—Calendar Year. Transportation revenue and number of barrels of oil originated and received from connections, present and preceding year.

Q–650—Revenue and Traffic of Carriers by Water—Calendar Year. Freight revenue, number of tons of revenue freight carried, revenue ton-miles, passenger revenue, and number of passengers carried.

Q–750—Revenues, Expenses, Other Income, and Statistics of Class I Motor Carriers of Passengers—Calendar Year. Passenger operating revenues (intercity, local and suburban, charter, or special service), expenses, other income, vehicle-miles operated in intercity, local and suburban, charter, or special service, number of revenue passengers carried, man-hours paid for, and compensation of drivers.

Q–800—Revenues, Expenses, Other Income, and Statistics of Class I Motor Carriers of Property—Calendar Year. Operating revenues (intercity, common and contract, local cartage, intercity transportation for other class I and class II motor carriers), expenses, other income, deductions and income taxes, truck- and tractor-miles operated in intercity freight service by common

[1] Prepared by the Bureau of Accounts.

and contract carriers, tons of revenue freight transported in intercity service, operating ratio, and report of man-hours paid for and compensation of drivers and helpers.

Quarterly

Q–100—Operating Revenues and Operating Expenses of Class I Railroads. Operating revenues, expenses, taxes, equipment and joint facility rents, and net railway operating income.

Q–125—Selected Income and Balance Sheet Items of Class I Railroads. Income account items, net income, dividends, expenditures for additions and betterments, current assets and liabilities, and analysis of taxes accrued.

Q–150—Operating Revenues and Operating Expenses, Selected Items, of Large Railroads. Operating revenues, expenses, taxes, equipment and joint facility rents, and net railway operating income for individual roads.

Q–200—Operating Statistics of Large Railroads. Freight and passenger operating statistics, consisting of miles of road operated, train-miles, car-miles, ton-miles, train-hours, locomotive units assigned to freight and passenger service, and number of freight cars on line for individual roads.

Q–210—Train and Yard Service of Class I Railroads. Miles of road operated, train- and locomotive-unit miles, and car-miles; gross ton-miles of road locomotives and tenders, gross ton-miles of cars, contents, and cabooses, net ton-miles, train, train switching, and yard-switching hours.

Q–220—Revenue Traffic Statistics of Class I Railroads. Number of revenue tons carried, freight revenue, and passenger revenue.

Q–240—Motive Power and Car Equipment of Class I Railroads. Locomotive units assigned to yard switching service, road freight service, and road passenger service. Motor-cars owned, freight cars on line, home and foreign. Freight cars and passenger-train cars owned.

Q–600—Transportation Revenue and Traffic of Large Oil Pipeline Companies. Transportation revenue and number of barrels of oil originated and received from connections, present and preceding year.

Q–650—Revenue and Traffic of Carriers by Water. Freight revenue, number of tons of revenue freight carried, revenue ton-miles, passenger revenue, and number of passengers carried.

Q–750—Revenues, Expenses, Other Income, and Statistics of Class I Motor Carriers of Passengers. Passenger operating revenues (intercity, local and suburban, charter or special service), expenses, other income, miles of highway over which intercity regular route operations conducted, vehicle-miles operated by buses in intercity, local and suburban, charter or special service, number of revenue passengers carried by buses for each route operation, man-hours paid for, and compensation of drivers.

Q–800—Revenues, Expenses, Other Income, and Statistics of Large Motor Carriers of Property. Operating revenues (intercity, common and contract, local cartage, intercity transportation for other class I and class II motor carriers), expenses, other income, deductions and income taxes, truck- and tractor-miles operated in intercity freight service by common and contract carriers, tons of revenue freight transported in intercity service, operating ratio, report of man-hours paid for, and compensation of drivers and helpers.

Q–950—Revenues, Expenses, and Statistics of Freight Forwarders. Operating revenues of expenses, income items, net income, tons of freight received from shippers, and number of shipments received from shippers.

Advance Summary—Revenues, Expenses, and Net Railway Operating Income, Class I Railroads. Operating revenues, operating expenses, taxes, equipment and joint facility rents, and net railway operating income.

Monthly

M–300—Wage Statistics of Class I Railroads in the United States. Number of employees, service hours, and compensation by occupation.

M–350—Preliminary Report of Railroad Employment, Class I Line-Haul Railroads. Number of employees at middle of month, group totals.

Accounting and Costs [2]

Statement No. 6–64, Distribution of the Rail Revenue Contribution by Commodity Groups—1961.

Statement No. 7–64, Cost of Transporting Freight by Class I and Class II Motor Common Carriers of General Commodities by Regions or Territories for the Year 1963.

Statement No. 8–64, Explanation of Automatic Data Processing Procedure for Motor Carrier Special Study Forms 4 and 7 Using IBM 7090.

Statement No. 9–64, Cost of Transporting Freight by Class I and Class II Motor Common Carriers of General Commodities—Middlewest Region—1963.

Statement No. 1–65, Cost of Transporting Freight by Class I and Class II Motor Common Carriers of General Commodities—Southwest Region—1963.

Statement No. 2–65, Cost of Transporting Freight by Class I and Class II Motor Carriers of General Commodities—Rocky Mountain Region—1963.

Statement No. 3–65, Cost of Transporting Freight by Class I and Class II Motor Common Carriers of General Commodities—Pacific Region—1963.

Statement No. 4–65, Cost of Transporting Freight by Class I and Class II Motor Common Carriers of General Commodities Performing Transcontinental Service—1963.

Statement No. 5–65, Rail Carload Unit Costs by Territories for the Year 1963.

Statement No. 6–65, Explanation of Automatic Data Processing Procedure of Rail Form A, 11–63, Using IBM 7090 (revisions to Part 2: Input Sheets and Program).

Elements of Value of Property Used in Common Carrier Service as of December 31, 1963, Class I Line-Haul Railways.

Elements of Value of Property Used in Common Carrier Service as of December 31, 1963, Class I Switching and Terminal Companies.

Schedule of Annual Indices for Carriers by Railroads (1963).

Schedule of Annual Indices for Carriers by Pipe Lines (1964).

Transport Economics [3]

Transport Economics. Recurring and special analyses of traffic, operations, equipment, finances, and employment of transportation industries, and related subjects. Issued monthy.

Railroad carload waybill sample publications [3]

Statement MS–1, Distribution of Freight Traffic and Revenue Averages by Commodity Classes. Number of carloads, tons, revenues, average tons per car, average miles per ton, average miles per car, average revenue per 100 pounds,

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[2] Prepared by Bureau of Accounts.

[3] Prepared by Bureau of Economics.

average revenue per car, average revenue per car-mile, and average revenue per ton-mile by commodity groups and classes, for the entire United States.

Statement TD–1, Territorial Distribution, Traffic, and Revenue by Commodity Classes. Contains data similar to those in Statement MS–1 for movement of traffic within and between major territories, and, in addition, short-line ton-miles and short-line car-miles.

Statement MB–1, 2, 3, 4, and 5, Mileage Block Distributions. Designed to analyze rail carload traffic in terms of length of haul. Show carloads, tons, revenue, short-line ton-miles, short-line car-miles, average tons per car, average short-line haul, and average revenues per hundredweight, per car, per short-line car-mile, and per short-line ton-mile, distributed by commodity, territorial movement, and type of rate for selected mileage or short-line length of haul blocks. Statement MB–1 provides data for products of agriculture, MB–2 for animals and products, MB–3 for products of mines, MB–4 for products of forests, and MB–5 for manufactures and miscellaneous and forwarder traffic.

Statement MB–6, Mileage Block Progressions. Contains data for each commodity class similar to those presented in other MB publications for a lesser number of mileage blocks.

Statements SS–1, 2, 3, 4, 5, and 6, State-to-State Distribution. Contain data on a State-to-State basis for the same characteristics as shown in Statement TD–1. Each publication covers commodity classes in a major commodity group or groups.

Statement SS–7, State-to-State Distribution. Shows tons of freight originated and terminated by State and by commodity class.

Statements TC–1, 2, and 3, Distribution by Type of Car. Develops rail carload traffic characteristics in terms of type of car equipment used. Statement TC–1 shows the number of carloads by commodity class, type of car, and mileage block. Statement TC–2 contains data for the number of carloads by commodity class, type of car, and weight category. Statement TC–3 shows the number of carloads by commodity class, type of car, and territorial movement.

Statement MS–2A, Petroleum Products. Contains annual totals for the number of carloads and tons for selected petroleum products by movement between Petroleum Administration Districts.

Statement MS–2, Distribution of Petroleum Products by Petroleum Administration Districts. Contains 3-month totals for characteristics similar to those in Statement MS–2A.

Statement RI–1, Indexes of Average Freight Rates. Designed to estimate the annual changes in average freight rates for selected commodity classes and groups due to changes in tariffs. Covers the years from 1953, using 1950 as the base period.

Railroad Safety[4]

Annual

Report of the Section of Railroad Safety, Bureau of Railroad Safety and Service to the Interstate Commerce Commission. Contains information concerning results of inspection of safety appliance equipment of railroads, power or train brakes, hours of service of railroad employees, installation and inspection of signal systems, railroad accidents, transportation of explosives and other dangerous articles by railroad, examination of applications for medals of honor relating to railroads, and review of safety devices.

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[4] Prepared by the Bureau of Railroad Safety and Service.

Annual Report of the Section of Locomotive Inspection to the Interstate Commerce Commission. Covers work of the section of Locomotive Inspection, including a summary of all accidents, by railroads, which resulted in serious injury or death to one or more persons due to failure of parts or appurtenances of locomotives, results of inspection of locomotives, and tables listing defects found with comparative data for previous years.

Accident Bulletin, Summary and Analysis of Accidents of railroads in the United States. Comprehensive data relating to railroad accidents, such as the number of passengers and employees killed or injured, by type of accident, location, time, damage to property, and cause.

Rail-Highway Grade-Crossing Accidents. Type of accident, person, vehicle, or object involved, part of train struck, crossing protection at time of accident, view of crossing, estimated speed of vehicle's approach, etc.

Monthly

Summary of Accidents Reported by all Line-Haul and Switching and Terminal Companies. Total number of locomotives and motor train-miles run during month. Total number of train, train-service, and nontrain accidents, and resulting casualties with brief description of cause.

Preliminary Report of Railroad Accidents and Resulting Casualties. Number of train accidents, accidents resulting in casualties, number of casualties in train, train-service, and nontrain accidents, and number of persons killed and injured.

Motor Carrier Safety [5]

Annual

Analysis of Accidents Reported by Class I and II Motor Carriers of Property.

Analysis of Accidents Reported by Class I Motor Carriers of Passengers.

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[5] Prepared by the Bureau of Operations and Compliance.

APPENDIX E

SAFETY

Railroads

TABLE 1.—*Railroad and grade crossing accidents, 1961–64*

	1961	1962	1963	1964
Total number of train accidents	4,149	4,378	4,822	5,317
Passenger trains (single)	292	290	259	314
Freight trains (single)	2,653	2,733	2,868	3,139
All other (including combinations)	1,204	1,355	1,695	1,864
Number of train accidents involving casualties	339	387	409	471
Number of fatalities: [1]				
Passengers on passenger trains	17	27	13	8
Passengers on freight trains	---	---	---	---
Employees on duty involving passenger trains	15	20	12	14
Employees on duty involving freight trains	40	52	52	65
Employees on duty involving other trains	47	66	62	57
Total all fatalities	2,067	2,037	2,077	2,344
Involving passenger trains	778	684	634	669
Involving freight trains	1,092	1,116	1,195	1,437
Involving other trains	197	237	248	238
Number of injuries: [1]				
Passenger on passenger trains	1,878	2,087	2,132	1,485
Passengers on freight trains	9	22	3	4
Employees on duty involving passenger trains	1,108	1,134	1,152	1,175
Employees on duty involving freight trains	3,908	3,833	4,176	4,189
Employees on duty involving other trains	5,249	6,263	6,276	6,620
Total all injuries	16,587	17,674	18,289	18,344
Involving passenger trains	3,780	4,001	3,870	3,499
Involving freight trains	6,534	6,310	6,950	7,142
Involving other trains	6,273	7,363	7,469	7,703
Highway-grade crossings accidents [2]	3,204	3,149	3,373	3,755
Persons killed	1,291	1,241	1,302	1,543
Persons injured	3,514	3,192	3,524	3,783
Ton-miles (thousands)	576,994,892	606,727,527	636,338,070	673,358,997
Passenger train-miles [3]	20,397,856	19,908,249	18,496,708	18,247,530

[1] Includes train and train service accidents.
[2] Included in total accidents and casualties.
[3] Class I only.

Source: Tables 101, 104, and 108 of annual bulletins.

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TABLE 2.—*Accidents caused by locomotives*

Accidents and casualties caused by failure of some part or appurtenance of steam locomotives, locomotive units other than steam, and multiple operated electric locomotive units:

	Year ended June 30—					
	1960	1961	1962	1963	1964	1965
Number of accidents	50	71	67	71	76	87
Percent increase or decrease from previous year	24.2	[1] 42.0	5.6	[1] 5.9	[1] 7.0	[1] 14.5
Number of persons killed	0	0	0	0	1	0
Percent increase or decrease from previous year	0	0	0	0	100	100
Number of persons injured	81	77	73	98	96	93
Percent increase or decrease from previous year	10.0	4.9	5.2	[1] 34.2	2.0	3.1

[1] Increase.

TABLE 3.—*Safety appliance inspections*

Results of evaluation inspections made by agents:

Item	Fiscal year	
	1964	1965
Freight cars inspected	1,381,754	1,371,855
Percentage defective	6.7	7.2
Passenger cars inspected	28,833	30,977
Percentage defective	5.9	7.4
Locomotive units inspected	96,142	93,858
Percentage defective	1.2	1.3
Number of defects per 1,000 cars and locomotives inspected	71.91	79.34

TABLE 4.—*Locomotive inspections and defects*

Reports and inspections—steam locomotives, locomotive units other than steam, and multiple-operated electric locomotive units:

	Year ended June 30—					
	1960	1961	1962	1963	1964	1965
Number of locomotives for which reports were filed	35,645	35,074	34,789	34,473	34,350	34,072
Number inspected	108,629	98,332	94,592	79,781	79,682	76,044
Number found defective	11,126	9,399	9,050	8,497	8,852	9,391
Percent of inspected found defective	10.2	9.6	9.6	10.7	11.1	12.3
Number ordered out of service	531	504	488	420	579	646
Number of defects found	32,830	28,308	26,032	25,718	28,453	31,596

TABLE 5.—*Hours of service of railroad employees*

	Fiscal year	
	1964	1965
Railroads reporting instances of excess service	119	104
Instances of excess service reported	2,872	3,118
Instances of excess service investigated	1,348	1,543
Examination of hours of service records	649	751
Completed investigations of complaints	112	130
Violations involved in regular inspections	87	105
Violations involved in special investigations	209	283

TABLE 6.—*Investigation of accidents*

Fiscal year	Number of accidents investigated			Persons killed	Persons injured
	Collisions	Derailments	Total		
1961	21	11	32	42	983
1962	21	8	29	57	641
1963	24	16	40	61	1,215
1964	34	18	52	70	1,284
1965	35	18	53	51	1,044

In 28 cases, during 1965, a report was published setting forth the facts and the Commission's findings and recommendations.

TABLE 7.—*Accident reports*

Railroad accidents resulting in injury to persons or property damage are reported in accordance with the Accident Reports Act and related Commission rules. Accident and casualty records are examined to determine compliance with the reporting rules.

	Fiscal year	
	1964	1965
Regular inspection of accident records	362	438
Number of railroads examined	356	385
Number of complaints investigated	10	9
Number of infractions disclosed	22	32
Number of accident and casualty files examined	21,669	25,564

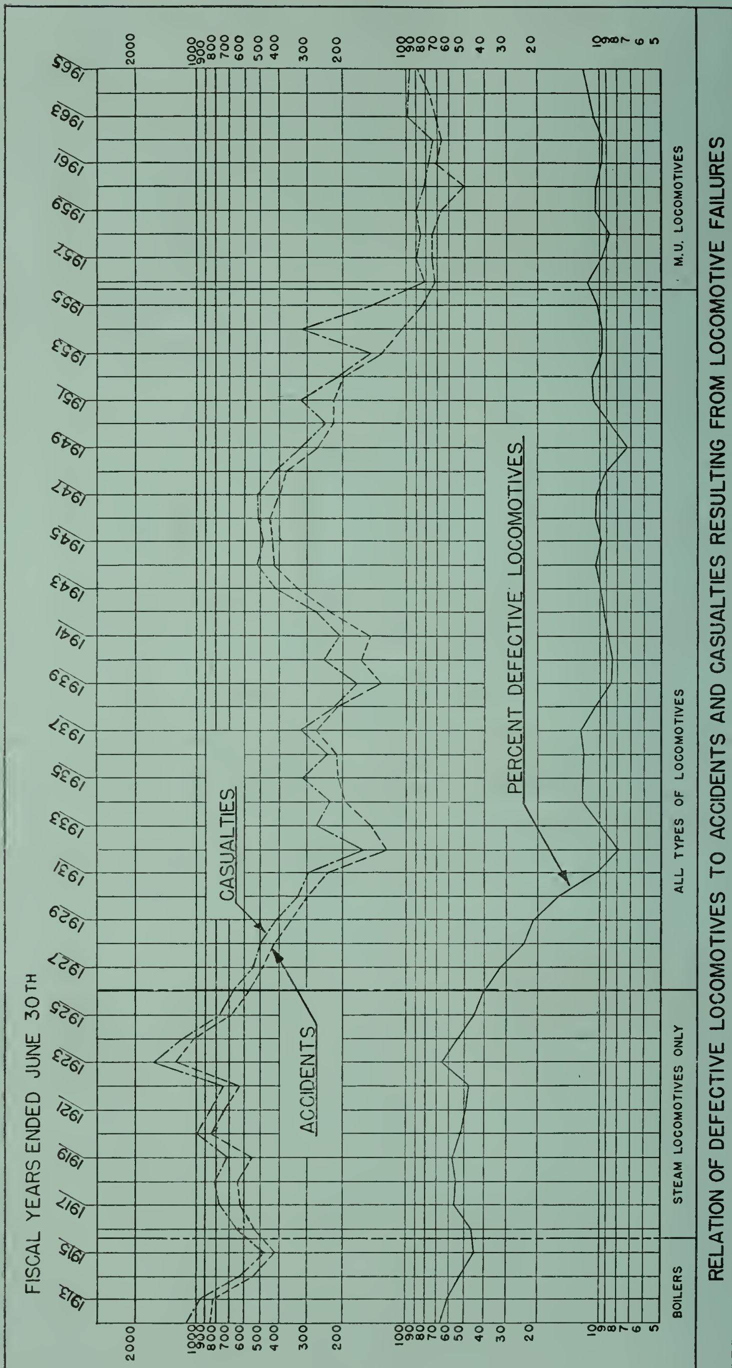

FISCAL YEARS ENDED JUNE 30TH
CASUALTIES
ACCIDENTS
PERCENT DEFECTIVE LOCOMOTIVES
BOILERS
STEAM LOCOMOTIVES ONLY
ALL TYPES OF LOCOMOTIVES
M.U. LOCOMOTIVES
RELATION OF DEFECTIVE LOCOMOTIVES TO ACCIDENTS AND CASUALTIES RESULTING FROM LOCOMOTIVE FAILURES

TABLE 8.—*Locomotive reports*

Specifications, alterations, and inspection and repair reports filed during fiscal year 1965:

Type of equipment	Specification reports filed	Alteration reports filed	Inspection and repair reports filed
Steam locomotives	12	1	1,765
Other than steam locomotives	1,501	648	377,550
Boiler	63	234	31,194
Multiple units	58	2	30,382

TABLE 9.—*Signal systems*

Tabulation of block-signal applications (BS–Ap), applications for relief from the Commission's signal requirements (RS&I–Ap), and petitions in signal matters filed and acted upon in year ended June 30, 1965:

	Number filed	Pending at beginning of year	Acted upon	Pending at close of year	Public hearings held
BS–Ap	221	63	202	82	23
RS&I–Ap	43	7	46	4	4
Petitions	14	1	13	2	9

TABLE 10.—*Signal devices in use Jan. 1, 1965*

Type of signal protection	Plants	Miles of— Road	Miles of— Track	Locomotives
Block-signal systems:				
Automatic		82,690	106,892	
Nonautomatic		21,448	21,794	
Total		104,138	128,686	
Corresponding totals, Jan. 1, 1964		103,224	128,564	
Interlocking	3,563			
Automatic train-stop, train-control, and cab-signal devices:				
Train-stop		9,099	13,260	4,820
Train-control		879	1,801	1,114
Cab-signal		3,554	7,872	3,537
Total	3,563	13,532	22,933	9,471
Corresponding totals, Jan. 1, 1964	3,598	14,064	23,475	9,387

Motor Carriers

TABLE 1.—*Vehicles, miles, and accidents*

	Calendar year		
	1962	1963	1964
Carriers of record:			
Authorized	18,587	18,587	17,950
Private	58,665	64,297	67,677
Exempt (sec. 203 (b))	23,403	26,070	26,894
Foreign through United States		202	202
Migrant	4,000	4,048	4,048
Total	104,655	113,204	116,771
Registrations, all vehicles (millions)	79.0	83.0	87.0
Total vehicle-miles (billions)	767.0	800.0	840.0
Total traffic fatalities	40,900	43,400	47,800
Accident data reported to the Commission:			
Number of accidents:			
Property carriers	24,944	30,947	33,332
Passenger carriers	4,107	2,675	2,359
Number of fatalities:			
Property carriers	1,705	1,740	1,853
Passenger carriers	123	170	137
Number of injuries:			
Property carriers	16,897	20,019	21,597
Passenger carriers	6,697	5,576	4,866
Property damage:			
Property carriers	$50,452,690	$56,921,480	$64,602,890
Passenger carriers	$2,512,250	$2,644,800	$2,910,920

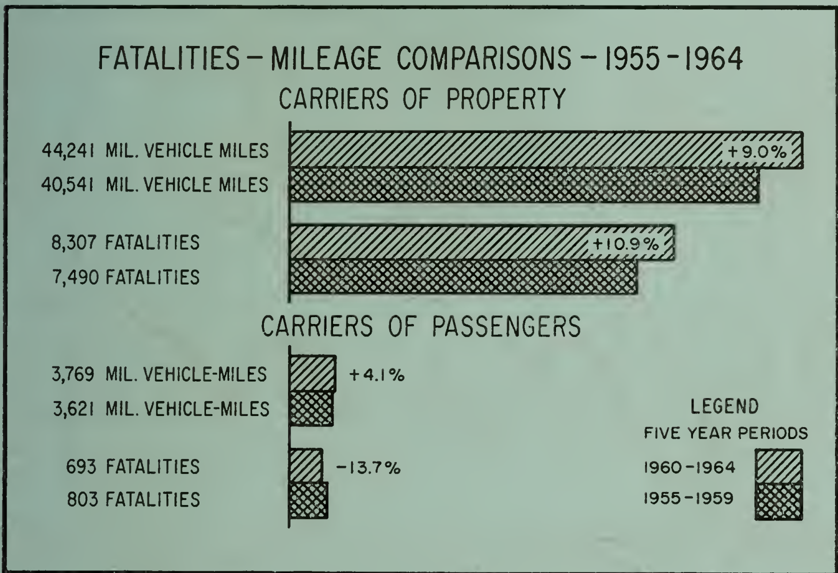
TABLE 2.—*Deaths and injuries in accidents reported by motor carriers for 1945 through 1964.*

	Fatalities		Injuries	
	Number	Increase or decrease	Number	Increase or decrease
1964	1,984	+4	26,206	+3
1963 [1]	1,901	+5	25,387	+9
1962	1,811	+21	23,213	+16
1961	1,494	−15	20,054	−6
1960 [2]	1,767	−3	21,265	−4
1959 [2]	1,830	+16	22,147	+7
1958 [2, 3]	1,571		20,614	+10
1957 [2]	1,573	+5	18,765	+1
1956 [2]	1,498	−16	18,518	−5
1955 [2]	1,774	+27	19,415	+17
1954 [2]	1,394	+17	16,622	−14
1953 [2]	1,685	−10	19,388	−2
1952 [2]	1,877	−5	19,797	−10
1951	1,986	+14	22,070	+17
1950	1,735	+18	18,906	+6
1949	1,471	−2	17,787	−5
1948	1,501	+9	18,677	+8
1947	1,382	+3	17,367	+5
1946	1,338	+16	16,565	+15
1945	1,150	+2	14,346	+11

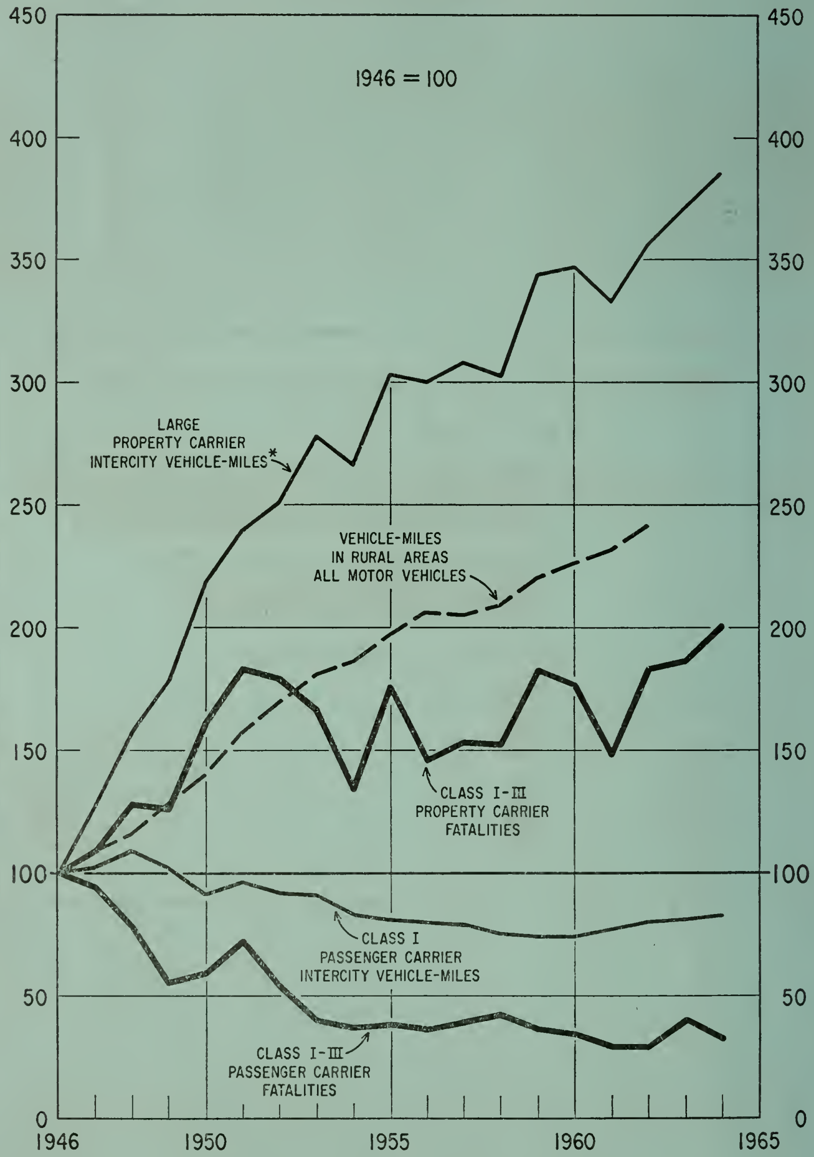
[1] Beginning with 1963, data for local as well as for intercity service has been included in these figures.
[2] Data for 1952 forward relate to accidents which occurred in those years. For previous years, data are for accidents reported during the year indicated.
[3] Prior to 1958, carriers did not report accidents in intrastate operations, although they reported total miles. Beginning with 1958 such accidents were required to be reported.

TABLE 3.—*Saftey activities of the motor carrier field program*

	Fiscal year	
	1964	1965
Overall safety compliance	6, 251	7, 176
Explosive or dangerous articles compliance	245	215
Safety condition of property vehicles	47, 066	45, 423
Safety condtiion of buses	2, 227	1, 178
Vehicles declared "out-of-service"	11, 675	16, 876
Hours-of-service compliance	435	423
Drivers declared "out of service"	482	699
Accident investigations	978	1, 094
Safety conferences	1, 363	1, 411
Road checks (man-days)	4, 828	5, 045
New private and exempt carriers; service of safety regulations	9, 456	9, 323
Interpretations	13, 330	15, 671



INDEXES OF MOTOR CARRIER TRAFFIC FATALITIES AND VEHICLE-MILES



* Carriers having annual operating revenues of $200,000 and more.
Source: I.C.C., Bureau of Transport Economics and Statistics, Statistics of Class I Motor Carriers and Statements Q-750 and Q-800, accident reports of motor carriers, and U.S. Bureau of Public Roads, Table VM-1.

APPENDIX F

APPROPRIATIONS AND EMPLOYMENT

The following statement shows average employment and total appropriations for the fiscal years 1941 to 1966 for activities included under the current appropriation title "Salaries and Expenses."

Year	Appropriation	Average employment	Year	Appropriation	Average employment
1941	$9,077,960	2,734.9	1954	$11,284,000	1,837.9
1942	9,212,750	2,658.6	1955	11,679,655	1,859.1
1943	9,336,377	2,359.4	1956	12,896,000	1,902.2
1944	8,873,900	2,076.0	1957	14,879,696	2,090.1
1945	8,883,700	1,957.5	1958	17,412,375	2,237.8
1946	8,733,738	2,058.3	1959	18,747,800	2,268.1
1947	10,496,200	2,240.4	1960	19,650,000	2,343.6
1948	10,713,000	2,247.7	1961	21,451,500	2,386.1
1949	11,300,317	2,217.8	1962	22,075,000	2,399.7
1950	11,416,700	2,161.0	1963	23,502,800	2,412.8
1951	11,408,200	2,072.3	1964	24,670,000	2,407.8
1952	11,264,035	1,889.5	1965	26,715,000	2,399.1
1953	11,003,500	1,849.4	1966	26,915,000	[1] 2,400.6

[1] Estimated.

The appropriation of $26,715,000 for the fiscal year beginning July 1, 1964, represented an increase of $2,045,000 over the appropriation for the previous fiscal year of which $1,230,000 was for pay increases authorized under Public Law 88–426. The balance of the increase or $815,000 was primarily for continuance of the 1964 fiscal year operating level. The 1965 fiscal year appropriation did not provide additional positions to handle the increased workload in all areas of the Commission.

STATEMENT OF APPROPRIATION AND OBLIGATIONS FOR THE FISCAL YEAR ENDED JUNE 30, 1965

An act making appropriations for sundry independent, executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1965, and for other purposes. (Public Law 88–507, 88th Cong., approved Aug. 30, 1964.)

Salaries and expenses: For necessary expenses of the Interstate Commerce Commission, including services as authorized by sec. 15 of the act of Aug. 2, 1946 (5 U.S.C. 55a), at rates for individuals not to exceed $100 per diem; and purchase of not to exceed 37 passenger motor vehicles for replacement only; $25,485,000, of which not less than $1,889,500 shall be available for expenses necessary to carry out railroad safety activities and not less than $1,261,500 shall be available for expenses necessary to carry out locomotive inspection activities: *Provided*, that Joint Board

members and cooperating State commissioners may use Government transportation requests when traveling in connection with their duties as such	$25, 485, 000
Supplemental appropriation (Public Law 89-16, 89th Cong., approved Apr. 30, 1965)	1, 230, 000
Amount available	26, 715, 000
Obligations and unobligated balance of appropriation as of June 30, 1965. The obligations shown represent net obligation after deducting reimbursements from non-Federal sources and all credits for services and salaries charged to other Government activities.	
Net obligations under appropriation for the year ended June 30, 1965: Salaries and expenses	26, 654, 290
Unobligated balance of appropriation: Salaries and expenses	60, 710
Statement of receipts from fees and charges during the fiscal year ended June 30, 1965:	
Fees and other charges for other administrative services	5, 713
Miscellaneous fees for permits and licenses, not otherwise classified	5, 680
Sale of publications and reproductions	43, 136
Fees and other charges for miscellaneous services	31, 490
Fees and other charges for special benefits, not otherwise classified	11, 250
Total receipts from fees and charges	97, 269

APPENDIX G

ICC UNIT OF THE NATIONAL DEFENSE EXECUTIVE RESERVE

Status of membership and recruitment at close of fiscal year

NDER group	Fiscal year 1963			Fiscal year 1964			Fiscal year 1965		
	On rolls	Additional nominees	Total	On rolls	Additional nominees	Total	On rolls	Additional nominees	Total
Rail	426	69	495	475	73	548	498	70	568
Motor	123	78	201	182	28	210	203	12	215
Water	38	16	54	44	11	55	43	12	55
Other	14	--------	14	15	--------	15	15	--------	15
Total	601	163	764	716	112	828	759	94	853

APPENDIX H

TRANSPORTATION STATISTICS

TABLE 1.—*Number of carriers subject to Uniform Systems of Accounts and required to file annual and periodic reports as of June 30, 1965*

Railroads, class I	77
Railroads, class II	307
Railroad switching and terminal companies, class I	26
Railroad switching and terminal companies, class II	167
Railroad lessor companies	142
Motor carriers, class I passenger	[1] 248
Motor carriers, class I property	1,250
Motor carriers, class II property	2,615
Oil pipelines	89
Water carriers	93
Maritime carriers	19
Electric railways	15
Freight forwarders	60
Protective service companies	7
Express companies	2
Sleeping car companies	1
Stockyard companies	[2] 37
Holding companies (rail)	5
Total	5,160

Number of carriers and organizations filing annual reports but not subject to prescribed Uniform Systems of Accounts as of June 30, 1965

Car lines (companies which furnish cars for use on lines of railroads)	155
Class II and III motor carriers of passengers	892
Class III motor carriers of property	11,700
Water carriers (less than $100,000 gross revenue)	[3] 104
Freight forwarders (less than $100,000 gross revenue)	22
Holding companies (motor)	26
Street electric lines	4
Rate bureaus and organizations	105
Total	13,008
Grand total	18,168

[1] Includes combination property and passenger (9 carriers).
[2] Includes stockyard company lessors (12 carriers).
[3] Includes maritime carriers filing on water carrier Form K-C (2 carriers).

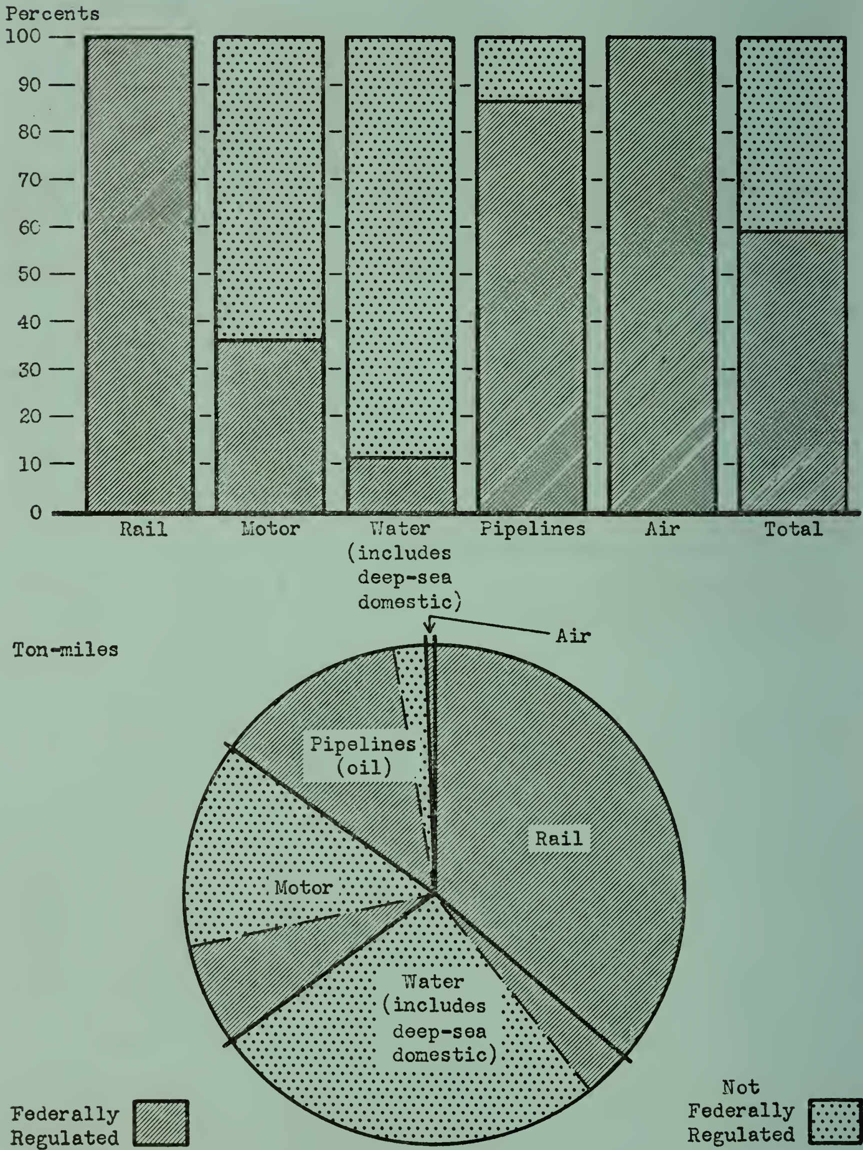
TABLE 2.—*Revenues, net investment, and taxes, 1964* [1]

[Thousands]

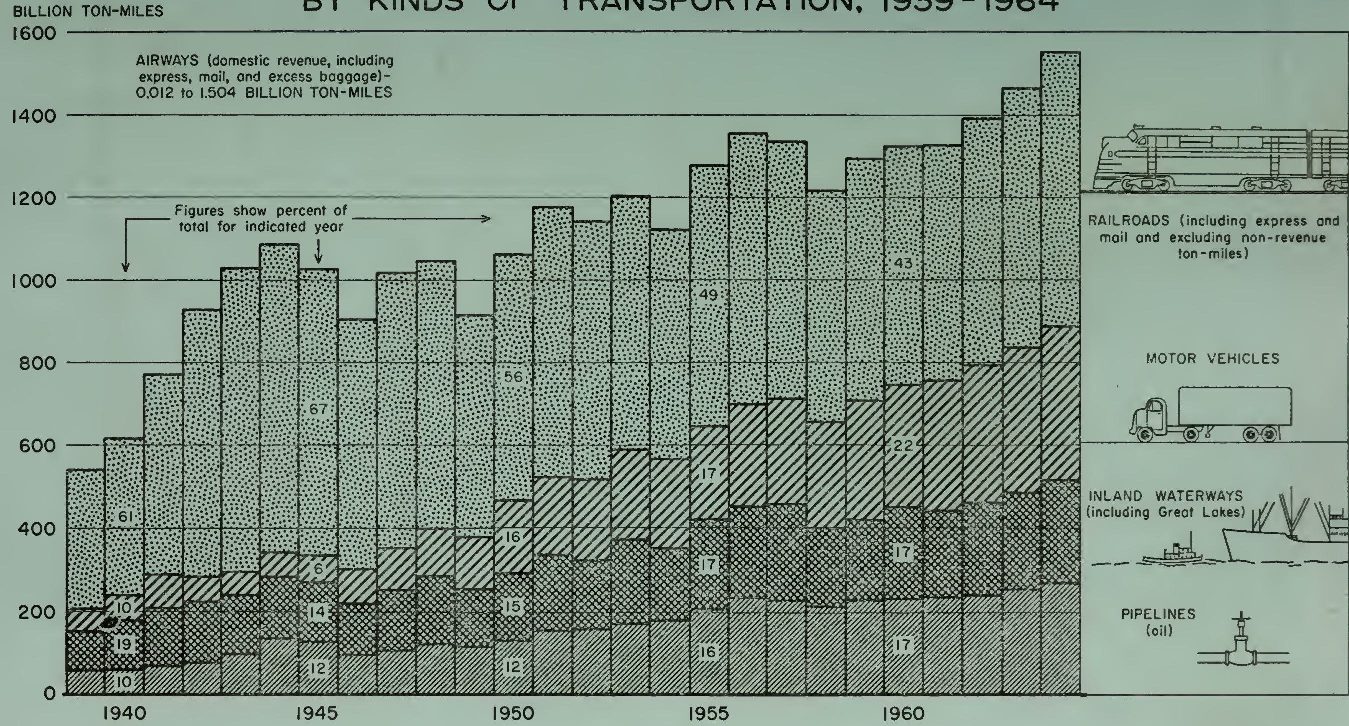
Kind of carrier	Operating revenues	Net investment in carrier operating property and equipment Dec. 31, 1963	Taxes	
			Income and excess profits	All other
Class I line-haul railroads	[2] $9,856,527	$22,843,697	[3] $137,919	$732,662
Motor carriers of property (class I intercity)	6,199,465	1,181,291	[4] 88,158	[5] 378,015
Motor carriers of passengers (class I intercity)	655,089	284,776	[4] 32,644	[6] 46,912
Water carriers (class A and class B)	[7] 257,857	204,517	[4] 12,942	3,605
Oil pipelines [8]	840,803	2,190,852	[3] 112,359	49,165
Total	17,809,741	26,705,133	384,022	1,210,359
	Percentage distribution			
Class I line-haul railroads	55.3	85.5	35.9	60.5
Motor carriers of property	34.8	4.4	22.9	31.2
Motor carriers of passengers	3.7	1.1	8.5	3.9
Water carriers	1.5	0.8	3.4	0.3
Oil pipelines	4.7	8.2	29.3	4.1
Total	100.0	100.0	100.0	100.0

[1] Net investment in carrier property and equipment at the close of the preceding year.
[2] Railway operating revenues.
[3] U.S. Government income and excess profits taxes only.
[4] U.S. and State taxes combined.
[5] From Quarterly Report Q-800.
[6] From Quarterly Report Q-750.
[7] Total waterline operating revenues.
[8] Does not include 5 pipeline departments.

INTERCITY TON-MILES OF FEDERALLY REGULATED AND NOT FEDERALLY REGULATED CARRIERS, 1963

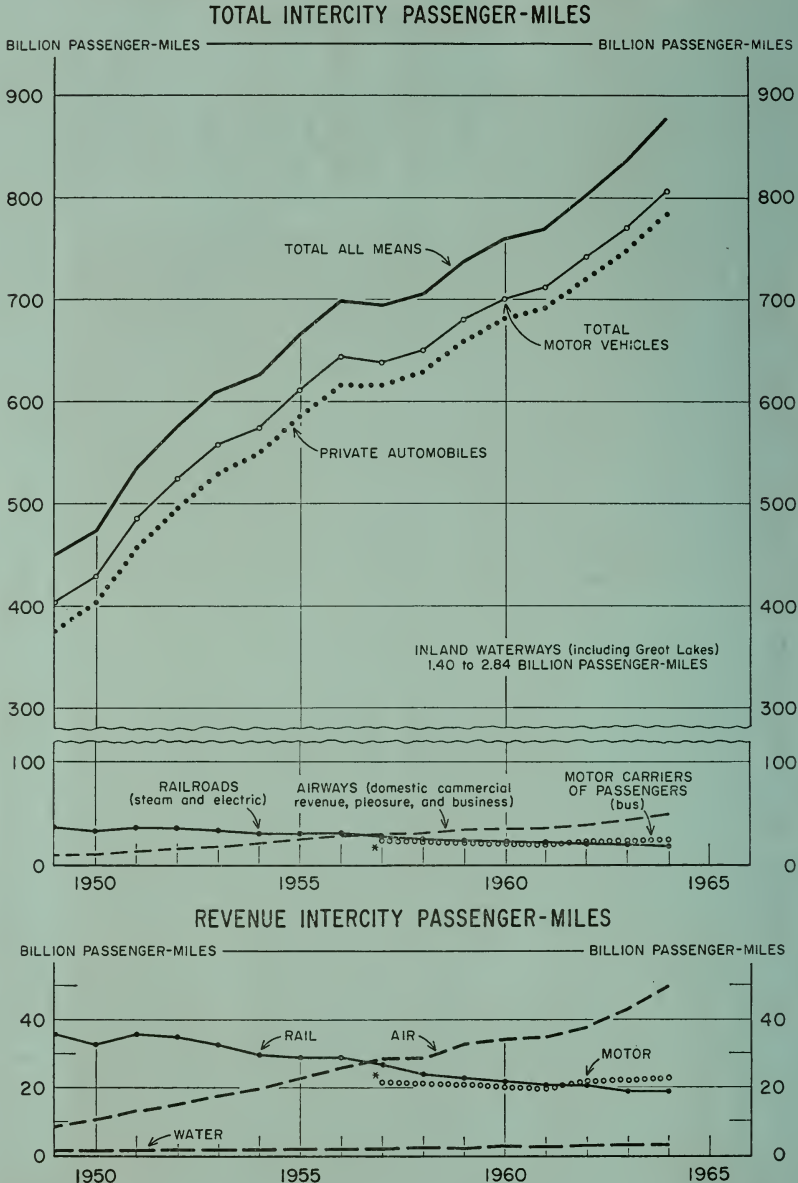


INTERCITY TON-MILES, PUBLIC AND PRIVATE, BY KINDS OF TRANSPORTATION, 1939-1964



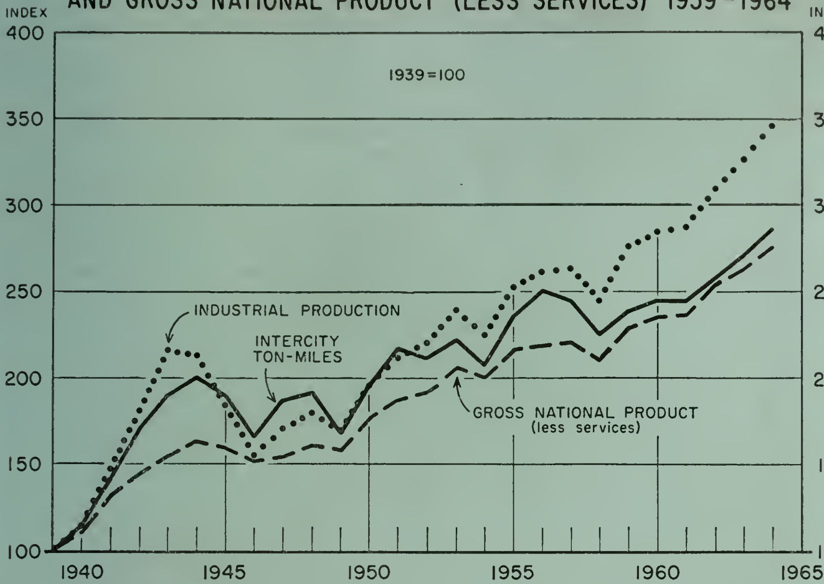
Source: 1939-1959, I.C.C., Bureau of Transport Economics and Statistics, Intercity Ton-Miles, 1939-1959, Statement No. 6103; 1960-1963, Annual Reports of the Interstate Commerce Commission; 1964, staff estimates.

INTERCITY PASSENGER-MILES, 1949-1964



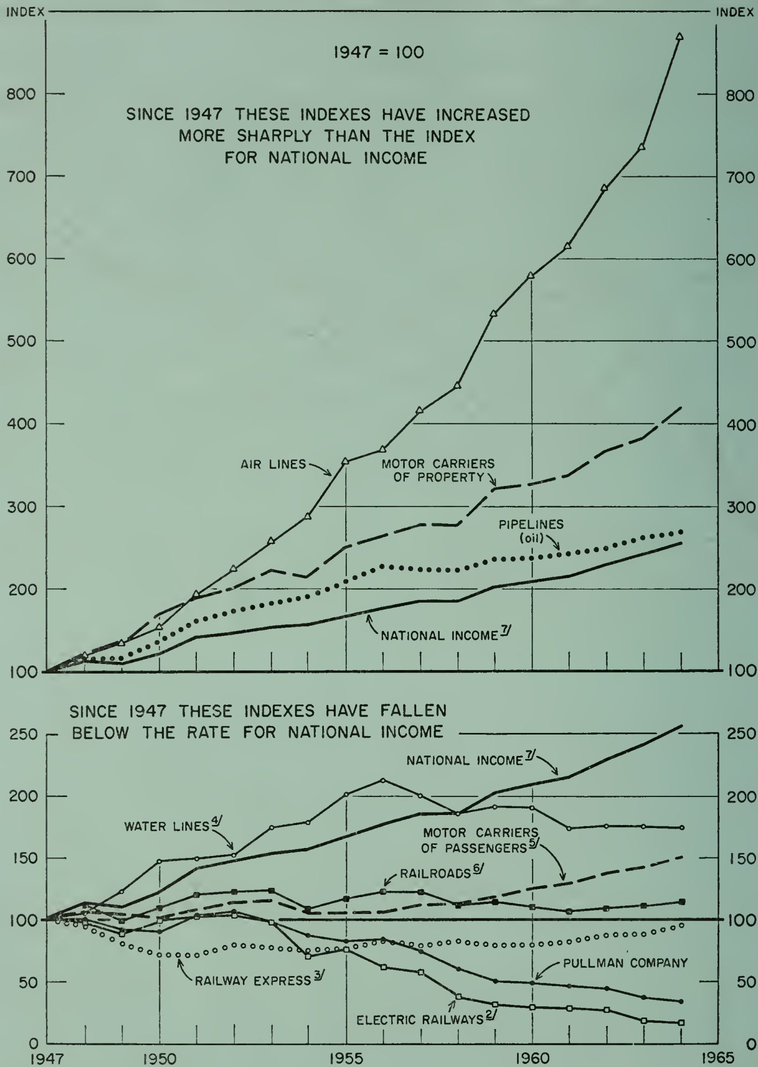
* Data for 1949-1956 on motor carriers not comparable because of change in base.
Source: 1949-1956, I.C.C., Bureau of Transport Economics and Statistics, Intercity Passenger-Miles, 1949-1956, Statement No. 580; 1957-1963 Annual Reports of the Interstate Commerce Commission; 1964, staff estimates.

INDEXES OF INTERCITY TON-MILES, INDUSTRIAL PRODUCTION, AND GROSS NATIONAL PRODUCT (LESS SERVICES) 1939-1964



Source: Federal Reserve Board, Office of Business Economics, and Interstate Commerce Commission.

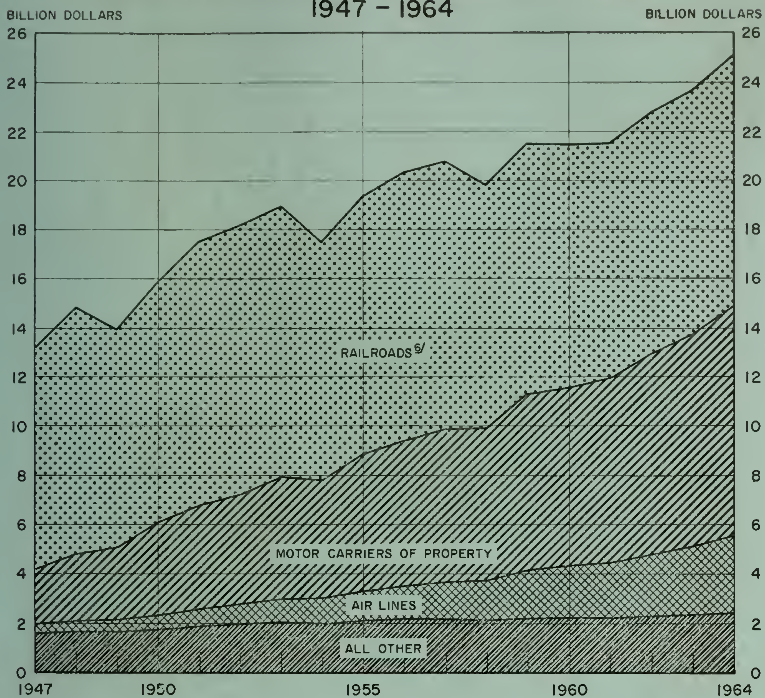
INDEXES OF OPERATING REVENUES,[1] BY TRANSPORT AGENCY, 1947 – 1964



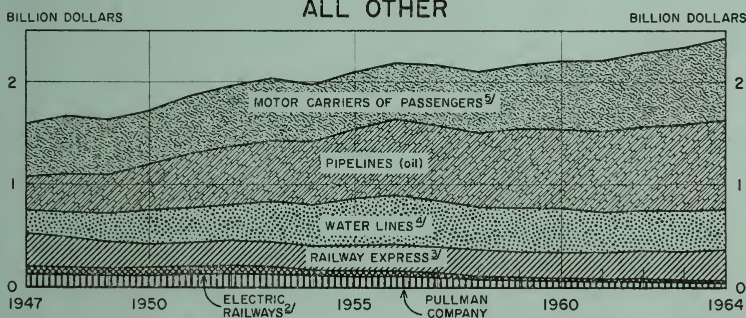
[1] Partly estimated.
[2] Shifts of carriers from electric to line-haul railroad and other classification and partial and complete abandonments have affected the decline by an indeterminate amount.
[3] After deducting payments to others for express privileges.
[4] Includes only revenues from domestic traffic of carriers subject to the jurisdiction of the Interstate Commerce Commission.
[5] Does not include motor carrier revenues of electric railways, included under electric railways.
[6] Includes switching and terminal companies.
[7] Revised national income. Source: U.S. Department of Commerce, *Survey of Current Business*, August 1965.

Sources: 1947–63, Annual Reports of the Interstate Commerce Commission; revised motor carrier revenues, 1947–56, I.C.C. Bureau of Transport Economics and Statistics, *Statistics of Class I, II, and III Motor Carriers, 1939–1956*, Statement No. 589; and 1964, staff estimates. Air data from Civil Aeronautics Board; data cover operating revenues in domestic revenue operations only, including Alaskan but not overseas, and do include the local Hawaiian line within those islands. Inclusion of Alaskan data makes no perceptible difference in the chart.

OPERATING REVENUES,[1] BY TRANSPORT AGENCY 1947 – 1964



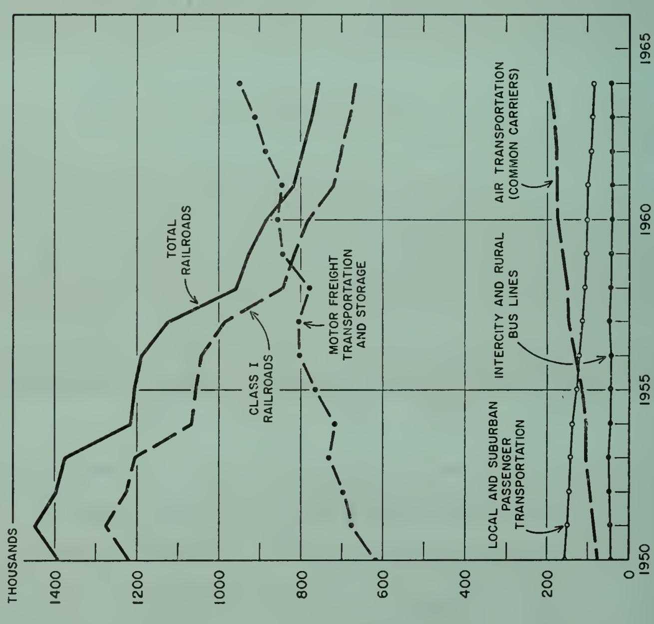
ALL OTHER



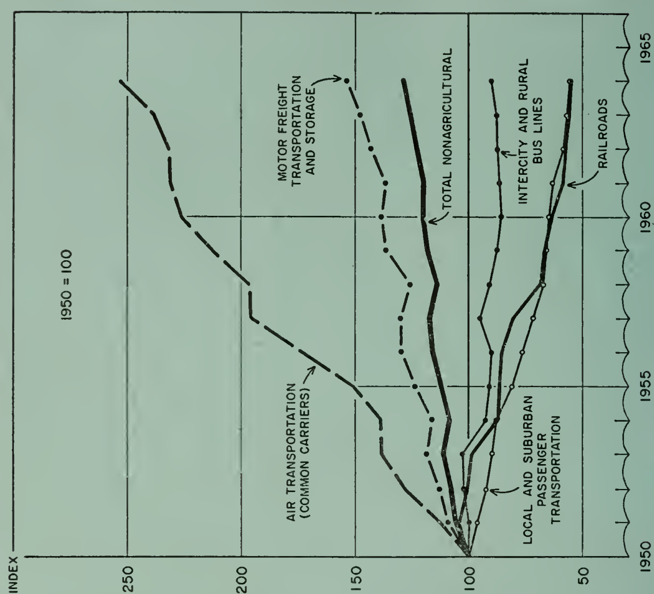
[1] Partly estimated.
[2] Shifts of carriers from electric to line-haul railroad and other classification and partial and complete abandonments have affected the decline by an indeterminate amount.
[3] After deducting payments to others for express privileges.
[4] Includes only revenues from domestic traffic of carriers subject to the jurisdiction of the Interstate Commerce Commission.
[5] Does not include motor carrier revenues of electric railways, included under electric railways.
[6] Includes switching and terminal companies.

Sources: 1947–63 Annual Reports of the Interstate Commerce Commission; revised motor carrier revenues, 1947–56, I.C.C., Bureau of Transport Economics and Statistics, *Statistics of Class I, II, and III Motor Carriers, 1939–1956*, Statement No. 589; and 1964, staff estimates. Air data from Civil Aeronautics Board; data cover operating revenues in domestic revenue operations only, including Alaskan but not overseas, and do include the local Hawaiian line within those islands. Inclusion of Alaskan revenues makes no perceptible difference in the chart.

EMPLOYMENT IN TRANSPORTATION DIVISIONS, 1950–1964



INDEXES OF TOTAL NONAGRICULTURAL EMPLOYMENT AND EMPLOYMENT IN TRANSPORTATION DIVISIONS, 1950–1964



Source: Bureau of Labor Statistics, Department of Labor; includes revisions in December 1964 issue of Employment and Earnings Statistics for the United States 1909-64, and 1964 data in March 1965 issue of Employment and Earnings.

TABLE 3.—*Railroad companies in reorganization (or receivership) proceedings*

	Miles of line operated[1]
Proceedings under section 77 of the Bankruptcy Act:	
Boston & Providence R. Corp.[2]	64
New Jersey & New York R. Co	38
New York, New Haven & Hartford R. Co	1, 653
Receivership proceedings:	
Waco, Beaumont, Trinity & Savine Ry. Co.[3]	18
Tennessee R. Co	57

[1] As of June 30, 1965.
[2] Owned mileage 64. Leased to Old Colony R. Co.; operated by New York, New Haven & Hartford R. Co.
[3] Not in operation. Owned mileage 18.

TABLE 4.—*Cars installed, retired and ordered, fiscal years 1950, 1955, 1960, 1965*

	1950	1955	1960	1965
Cars installed				
Box	9, 559	15, 326	18, 106	20, 165
Refrigerator	4, 200	3, 373	3, 068	6, 631
Gondola	9, 401	1, 343	6, 800	3, 658
Hopper	11, 905	1, 542	15, 725	22, 333
Covered hopper	3, 032	1, 831	3, 062	9, 686
Flat	3, 839	1, 230	1, 943	4, 149
Other	370	2, 029	361	1, 204
Total cars	42, 306	26, 674	49, 065	67, 826
Cars retired				
Box	31, 481	24, 980	32, 160	33, 123
Refrigerator	6, 458	2, 768	3, 715	2, 494
Gondola	28, 392	14, 558	11, 303	9, 668
Hopper	20, 074	26, 295	30, 666	28, 918
Covered hopper	184	22	141	255
Flat	4, 186	1, 308	821	1, 789
Other	200	3, 786	2, 278	2, 414
Total cars	90, 975	73, 717	81, 084	78, 661
Cars ordered				
Box	20, 104	23, 505	12, 720	22, 354
Refrigerator	2, 167	1, 903	4, 684	10, 114
Gondola	9, 553	2, 537	5, 581	5, 508
Hopper	8, 789	4, 542	9, 082	10, 260
Covered hopper	(1)	3, 690	3, 425	13, 911
Flat	1, 151	1, 738	5, 071	9, 543
Other	3, 192	5, 977	2, 825	9, 160
Total cars	44, 956	43, 892	43, 388	80, 850

[1] Included in hopper car orders.

Ownership, serviceable ownership, and turnaround time, class I railroads

	Fiscal year			
	1950	1955	1960	1965
Ownership				
Plain box	650,888	664,709	646,033	495,107
Equipped box	54,308	51,908	52,951	95,497
Total box	705,196	716,617	698,984	590,604
Refrigerators	101,271	101,167	91,053	95,505
Gondolas	287,740	286,272	270,876	220,854
Hoppers	564,820	525,518	490,521	432,442
Covered hoppers	21,381	39,077	62,933	87,271
Flat	46,782	47,858	51,807	59,628
Others	79,328	82,195	77,068	61,003
Total cars	1,806,518	1,798,704	1,743,242	1,547,307
Serviceable cars				
Plain box	613,824	637,616	595,889	416,369
Equipped box	51,276	47,923	49,707	92,314
Total box	665,100	685,539	645,596	553,683
Refrigerators	95,016	96,896	86,765	92,099
Gondolas	266,749	265,421	239,816	204,447
Hoppers	517,253	483,455	446,701	409,662
Covered hoppers	21,000	38,507	61,559	85,088
Flat	44,753	45,542	48,881	57,017
Others	73,432	77,474	73,289	58,214
Total cars	1,683,403	1,692,834	1,602,260	1,460,210
	Calendar year			
	1949	1954	1959	1964
Turnaround time—days				
Box	15.09	16.55	18.12	20.08
Refrigerators	24.26	25.38	30.68	34.39
Gondolas	17.50	20.25	20.89	19.07
Hoppers	17.44	18.13	17.15	14.48
Covered hoppers	15.98	16.61	19.53	20.75
Flat	20.97	26.15	18.07	11.97
Total cars	16.95	18.31	19.00	18.42

TABLE 5.—*Trailer-on-flatcar loadings[1] by districts, 1962–65*

	Calendar year—						First half of—			
	1962		1963		1964		1964		1965	
	Cars	Percent	Cars	Percent	Cars	Percent	Cars	Percent	Cars	Percent
Cars loaded:										
Eastern district	351,217	49.7	366,235	45.9	393,426	44.2	198,137	46.2	[2] 180,944	36.5
Southern district	83,406	11.8	122,518	15.4	162,949	18.3	69,921	16.3	[2] 135,080	27.3
Western district	271,818	38.5	308,721	38.7	333,841	37.5	160,652	37.5	179,513	36.2
Total	706,441	100.0	797,474	100.0	890,216	100.0	428,710	100.0	495,537	100.0
Percent increase from the previous period:										
Eastern district		22.5		4.3		7.4		10.3		[3] 8.7
Southern district		64.4		46.9		33.0		15.2		93.2
Western district		7.1		13.6		8.1		6.6		11.7
Total		19.5		12.9		11.6		9.6		15.6
Weekly average	13,585		15,336		17,120		16,489		10,059	
Maximum week	15,996		17,709		20,176		17,810		20,730	
Number or reporting railroads	61		63		62		64		62	

[1] Includes gondola cars and flatcars loaded with van containers (without trailer chassis and wheels).
[2] Loadings of former eastern district roads merged or leased by Norfolk & Western on Oct. 16, 1964, included in southern district.
[3] Decrease.

Source: Association of American Railroads.

TABLE 6.—*Mileage operated and mileage owned by railroads in the United States, 1955–64*

Year ended Dec. 31—	Road owned in the United States [1] (first main) track)	Total miles of all tracks operated, excluding trackage rights [2]	Mileage operated by classes I and II line-haul railroads (including trackage rights)			
			First main track	Second or additional main tracks	Yard track and sidings	All tracks
1955	220,670	369,401	233,955	38,825	118,185	390,965
1956	220,221	368,020	233,509	37,908	118,251	389,668
1957	219,067	365,915	232,177	37,123	117,678	386,978
1958	218,399	364,353	231,494	36,448	117,322	385,264
1959	217,565	362,506	230,930	35,746	117,236	383,912
1960	217,552	360,566	230,169	34,800	116,776	381,745
1961	216,445	357,917	229,369	33,853	116,193	379,415
1962	215,090	354,460	227,851	32,719	115,720	376,290
1963	214,387	352,346	227,282	32,153	115,087	374,522
1964	212,059	349,982	226,753	31,535	114,012	372,300

[1] Includes mileage of some small companies that do not make annual reports to the Commission.
[2] Includes mileage of classes I and II line-haul railroads and switching and terminal companies.

TABLE 7.—*Equipment of railroads, including switching and terminal companies, in service at the close of each year, 1955–64* [1]

Year ended Dec. 31—	Locomotives							
	Steam		Electric		Diesel		Other	
	Number	Average tractive effort [2]	Number	Average tractive effort [2]	Number	Average tractive effort [2]	Number	Average tractive effort [2]
		Pounds		*Pounds*		*Pounds*		*Pounds*
1955	6. 266	65, 005	639	64, 577	26, 563	63, 644	34	[3] 111, 353
1956	3, 918	68, 745	616	64, 198	28, 001	60, 489	58	[3] 117, 031
1957	2, 608	72, 030	597	65, 696	29, 137	60, 479	49	[3] 117, 567
1958	1, 488	73, 692	562	66, 914	29, 515	60, 593	51	[3] 135, 875
1959	871	73, 298	517	71, 221	30, 097	60, 911	54	[3] 156, 297
1960	374	76, 920	498	64, 102	30, 240	61, 122	66	[3] 169, 592
1961	210	77, 651	484	66, 539	30, 123	61, 829	72	[3] 174, 732
1962	136	45, 020	441	69, 274	30, 057	61, 323	67	[3] 180, 140
1963	112	43, 333	438	70, 958	29, 898	61, 411	58	[3] 198, 538
1964	93	42, 176	402	71, 888	29, 745	62, 200	56	[3] 180, 417

Year ended Dec. 31	Cars					
	Freight cars (excluding caboose)		Passenger train	Coaches		
	Number	Average capacity [2]	Number	Number	Average seating capacity [2]	Number air-conditioned [2]
		Tons				
1955	1, 723, 747	53. 7	32, 182	13, 543	75	7, 378
1956	1, 738, 631	54. 0	30, 817	12, 867	75	7, 414
1957	1, 777, 557	54. 5	29, 564	12, 328	75	7, 295
1958	1, 755, 775	54. 8	28, 999	11, 934	76	7, 118
1959	1, 708, 116	55. 0	27, 419	11, 121	76	6, 751
1960	1, 690, 396	55. 4	25, 746	10, 287	76	6, 316
1961	1, 635, 342	55. 7	24, 433	9, 840	76	6, 053
1962	1, 581, 213	56. 3	23, 430	9, 432	77	5, 934
1963	1, 542, 456	56. 8	22, 616	9, 286	78	5, 827
1964	1, 517, 564	58. 2	21, 510	8, 739	79	5, 629

[1] Privately owned cars and cars owned or leased by the Pullman Co., are not included. In 1964 privately owned freight carrying cars, other than those leased to railroads, numbered 282,679 and cars owned or leased by the Pullman Co., 1,637.

[2] Class I railroads.

[3] Includes gas turbine electric locomotives having average tractive effort as follows: 1955 through 1957, 25 locomotives of 137,920 pounds; 1958, 29 locomotives of 147,931 pounds; 1959, 36 locomotives of 160,111 pounds; 1960, 48 locomotives of 172,729 pounds; 1961, 55 locomotives of 177,564 pounds; 1962, 49 locomotives of 183,429 pounds; 1963, 38 locomotives of 203,263 pounds; and 1964, 31 locomotives of 199,613 pounds.

TABLE 8.—*Shareholders' equity and long-term debt, 1955–64: Line-haul railroads and their lessor subsidiaries*

Year ended Dec. 31—	Shareholders' equity					Total long-term debt [3]	Total equity and debt	Ratio of debt to total equity and debt
	Total	Common stock	Preferred stock	Capital surplus [1]	Retained income [2]			
	Thousands	*Thousands*	*Thousands*	*Thousands*	*Thousands*	*Thousands*	*Thousands*	*Percent*
1955	$18,053,367	$7,341,246	$1,309,482	$433,058	$8,969,581	$10,045,751	$28,099,118	35.75
1956	18,326,752	6,911,074	1,394,985	721,113	9,299,580	10,141,293	28,468,045	35.62
1957	18,565,026	6,290,287	1,369,233	1,250,820	9,654,686	10,288,857	28,853,883	35.66
1958	18,630,351	6,242,782	1,266,001	1,300,608	9,820,960	10,221,232	28,851,583	35.43
1959	18,775,600	6,233,568	1,245,673	1,294,674	10,001,685	10,005,968	28,781,568	34.77
1960	18,803,151	6,185,118	1,218,061	1,327,193	10,072,779	9,844,332	28,647,483	34.36
1961	18,740,636	5,525,666	1,212,147	1,909,967	10,092,856	9,691,863	28,432,499	34.09
1962	19,038,868	5,537,442	1,200,857	1,947,310	10,353,259	9,568,397	28,607,265	33.45
1963	19,337,536	5,591,821	1,189,239	2,040,550	10,515,926	9,544,372	28,881,908	33.05
1964	19,330,248	5,536,997	1,164,029	2,080,314	10,548,908	9,721,145	29,051,393	33.46

[1] Does not include class II line-haul railroads and their lessors.
[2] Includes capital surplus of class II line-haul railroads and their lessors.
[3] Does not include amounts payable to affiliated companies except by class II line-haul railroads.

TABLE 9.—*Dividends, 1955–64: Line-haul railroads and their lessor subsidiaries*

Year ended Dec. 31—	Proportion of stock-paying dividends [1]	Amounts of dividends [1]	Dividends declared [2]	
			On preferred stock	On common stock
	Percent	*Thousands*		
1955	84.39	$476,748	$70,768,164	$377,450,539
1956	81.69	487,905	46,239,794	415,468,274
1957	84.41	466,415	46,500,614	391,889,328
1958	70.45	444,982	42,258,920	376,506,263
1959	76.89	431,860	40,996,898	364,643,640
1960	75.88	411,650	36,454,767	349,040,714
1961	64.74	385,017	31,259,322	328,192,149
1962	63.60	394,116	30,338,958	339,735,118
1963	65.81	412,815	33,182,241	350,244,155
1964	73.52	492,443	42,510,146	414,680,397

[1] Includes figures for lessors and operating railroads without excluding duplications on account of intercorporate payments. Stock dividends for the last 10 years have been as follows: $2,130,100 in 1955, $22,038,223 in 1956, $635,174 in 1957, $46,282,730 in 1958, $2,402,789 in 1959, of which $65,364 was credited to "Capital Surplus" for amount in excess of par value of stock dividends declared; $2,329 in 1960, $1,890,200 in 1961, $1,910,451 in 1962, $4,877,125 in 1963, and $482,123 in 1964.
[2] By class I line-haul railroads.

TABLE 10.—*Reported property investment and selected income items, 1955–64: Line-haul railroads and their lessor subsidiaries*

Year ended Dec. 31—	Investment [1]	Investment per mile of road	Depreciation reserve [2]	Net railway operating income [3]	Other income [4]	Fixed charges and other deductions [5]	Net income
	Thousands		*Thousands*	*Thousands*	*Thousands*	*Thousands*	*Thousands*
1955	[6] $33,034,952	$149,950	$7,313,951	$1,144,347	$250,503	$453,918	$958,849
1956	[6] 33,714,159	153,303	7,542,856	1,083,708	259,677	451,169	908,416
1957	[6] 34,614,517	158,255	7,800,925	934,645	277,634	460,730	765,227
1958	[6] 34,934,471	160,179	8,043,497	772,898	323,153	482,439	630,033
1959	[6] 35,157,554	161,834	8,295,563	760,140	306,732	475,575	607,924
1960	[6] 35,513,351	163,885	8,532,411	594,618	338,466	475,520	473,175
1961	[6] 35,541,973	164,842	8,792,724	547,045	312,524	464,552	410,140
1962	[6] 34,361,477	160,440	8,982,196	735,266	313,199	464,228	600,393
1963	[6] 34,519,308	161,719	9,143,817	815,952	318,557	468,564	681,325
1964	[6] 34,868,685	164,456	9,265,154	828,433	362,213	476,948	733,220

[1] Includes investment of operating, lessor, and proprietary companies. Proprietary companies do not render annual reports to the Commission but information concerning them is given in reports of the operating companies.

[2] Includes amortization of defense projects.

[3] Classes I and II line-haul railroads.

[4] Includes amounts received as interest or dividends on railroad securities owned by reporting carriers. See Transport Statistics in the United States, table 109. Figures represent classes I and II line-haul railroads.

[5] The interest included represents accruals, not payments. Figures represent classes I and II line-haul railroads.

[6] Includes investment of lessor and proprietary companies, as follows, but excludes investment of proprietary companies in systems which file consolidated annual reports combining the mileage, investment and other items on a net system basis:

Year	Lessor companies	Proprietary companies	Year	Lessor companies	Proprietary companies
	Thousands	*Thousands*		*Thousands*	*Thousands*
1955	$2,243,939	$521,665	1960	$2,171,069	$510,363
1956	2,234,533	506,107	1961	2,102,273	502,164
1957	2,335,220	500,539	1962	2,039,217	494,198
1958	2,238,968	501,004	1963	2,019,536	488,986
1959	2,194,123	512,011	1964	2,338,506	412,843

TABLE 11.—*Selected balance sheet items, 1955–64: Class I line-haul railroads and their lessor subsidiaries*

Year ended Dec. 31—	Current assets	Net investment in transportation property	All other assets	Current liabilities [1]	Long-term debt	All other liabilities	Shareholders' equity
	Thousands	*Thousands*	*Thousands*	*Thousands*	*Thousands*	*Thousands*	*Thousands*
1955	$3,790,710	$24,883,508	$3,289,814	$2,151,157	$10,741,077	$1,192,206	$17,879,592
1956	3,575,204	25,285,612	3,262,526	2,130,785	10,801,320	1,111,210	18,080,027
1957	3,221,842	25,928,467	3,182,141	1,928,844	10,977,187	1,120,275	18,306,144
1958	3,147,256	26,012,615	3,015,483	2,129,840	10,614,720	1,061,404	18,369,390
1959	3,154,043	25,967,635	3,110,464	2,260,406	10,386,430	1,080,772	18,504,534
1960	2,939,773	26,098,028	3,089,336	2,259,987	10,244,727	1,095,178	18,527,245
1961	3,004,927	25,878,373	2,965,344	2,396,721	10,072,311	916,665	18,462,947
1962	3,055,840	24,595,106	4,376,231	2,371,290	9,927,493	956,654	18,751,740
1963	3,340,787	24,567,847	4,530,866	2,538,680	9,880,445	979,298	19,041,077
1964	3,360,609	24,901,495	4,685,693	2,651,726	10,064,819	1,186,517	19,044,735

[1] Includes long-term debt due within 1 year in 1958–64. This item included in long-term debt in prior years.

TABLE 12.—*Operating revenues, operating expenses, and net income, class I line-haul railroads, 1955–65*

Year ended Dec. 31—	Freight revenues	Passenger revenues	Total operating revenues	Total transportation expense	Total operating expenses	Operating ratio	Net railway operating income	Net income
	Thousands	*Thousands*	*Thousands*	*Thousands*	*Thousands*	*Percent*	*Thousands*	*Thousands*
1955	$8, 538, 286	$742, 945	$10, 106, 330	$3, 769, 856	$7, 646, 418	$75. 66	$1, 127, 997	$927, 122
1956	8, 951, 423	756, 582	10, 550, 943	4, 043, 452	8, 108, 353	76. 85	1, 068, 246	876, 333
1957	8, 928, 511	735, 339	10, 491, 390	4, 094, 780	8, 227, 522	78. 42	922, 334	737, 431
1958	8, 070, 826	675, 296	9, 564, 568	3, 834, 340	7, 543, 842	78. 87	762, 296	601, 737
1959	8, 312, 181	651, 168	9, 825, 060	3, 887, 710	7, 704, 815	78. 42	747, 677	577, 719
1960	8, 025, 423	640, 268	9, 514, 294	3, 832, 882	7, 565, 336	79. 52	584, 016	444, 640
1961	7, 739, 044	624, 688	9, 189, 138	3, 710, 832	7, 274, 260	79. 16	537, 771	382, 444
1962	7, 991, 146	619, 056	9, 439, 895	3, 755, 092	7, 418, 562	78. 59	725, 679	571, 017
1963	8, 146, 131	588, 104	9, 559, 522	3, 771, 254	7, 451, 648	77. 95	805, 658	651, 637
1964	8, 455, 457	577, 910	9, 586, 527	3, 920, 622	7, 737, 847	78. 50	818, 213	698, 184
January–June 1964	4, 132, 231	280, 128	4, 805, 149	1, 888, 436	3, 746, 199	77. 96	404, 393	329, 373
January–June 1965	4, 305, 184	2 65, 365	4, 964, 360	1, 986, 931	3, 862, 876	77. 81	420, 615	334, 549

TABLE 13.—*Taxes and equipment rents, class I line-haul railroads, 1955–65*

Year ended Dec. 31—	Railway tax accruals	Equipment and joint facility rents (net)	Other income	Interest, rents, and other deductions	Federal income and excess-profits taxes [1]
	Thousands	*Thousands*	*Thousands*	*Thousands*	*Thousands*
1955	$1, 080, 413	−$251, 502	$270, 817	$471, 692	$414, 299
1956	1, 121, 348	−252, 996	275, 574	467, 488	391, 984
1957	1, 068, 419	−273, 116	289, 349	474, 252	320, 338
1958	957, 175	−301, 255	333, 136	493, 695	240, 972
1959	1, 047, 635	−324, 934	314, 553	484, 511	267, 645
1960	998, 799	−366, 143	346, 328	485, 705	202, 903
1961	991, 083	−386, 023	322, 281	477, 609	242, 456
1962	905, 044	−390, 610	325, 576	480, 237	156, 786
1963	886, 387	−415, 828	330, 075	484, 096	164, 109
1964	870, 581	−429, 885	368, 891	488, 920	137, 919
January–June 1964	451, 866	−202, 690	163, 363	238, 383	87, 003
January–June 1965	447, 970	−232, 899	165, 609	251, 675	69, 459

TABLE 14.—*Net railway operating income, net income, and rates of return, class I line-haul railroads, 1955–64*

Year ended Dec. 31—	Elements of value after depreciation and amortization, end of preceding year	Net railway operating income, current year	Ratio of net railway operating income to elements of value	Shareholders' equity	Net income	Ratio of net income to shareholders' equity
	Thousands	*Thousands*	*Percent*	*Thousands*	*Thousands*	*Percent*
1955	$24, 849, 863	$1, 127, 997	4. 54	$16, 657, 939	$927, 122	5. 57
1956	25, 020, 645	1, 068, 246	4. 27	16, 861, 286	876, 333	5. 20
1957	25, 517, 763	922, 334	3. 62	17, 102, 896	737, 431	4. 31
1958	26, 193, 911	762, 296	2. 91	17, 142, 266	601, 737	3. 51
1959	26, 190, 059	747, 677	2. 86	17, 291, 787	577, 719	3. 34
1960	26, 247, 426	584, 016	2. 23	17, 312, 733	444, 640	2. 57
1961	26, 396, 665	537, 771	2. 04	17, 283, 908	382, 444	2. 21
1962	26, 372, 540	725, 679	2. 75	17, 559, 195	571, 017	3. 25
1963	26, 185, 903	805, 658	3. 08	17, 840, 552	651, 637	3. 65
1964	26, 266, 191	818, 213	3. 12	17, 622, 350	698, 184	3. 96

NOTE.—Ratios of net railway operating income to elements of value are from *Transport Economics* and predecessor publications. Elements of value are from Bureau of Accounts annual publication "Elements of Value of Property Used in Common Carrier Service."

TABLE 15.—*Current assets and current liabilities, class I line-haul railroads as of June 30, 1962–65*

	1962	1963		1964[1]		1965	
	Amount	Amount	Percent of change from 1962	Amount	Percent of change from 1962	Amount	Percent of change from 1962
	Millions	*Millions*		*Millions*		*Millions*	
Total current assets	$2,879	$3,082	+7.1	$3,259	+13.2	$3,154	+9.6
Cash and temporary cash investments	1,458	1,631	+11.9	1,757	+20.5	1,558	+6.9
Materials and supplies	501	474	−5.4	467	−6.8	486	−3.0
Total current liabilities	1,983	1,991	+.4	1,998	+.8	2,055	+3.6
Net working capital:							
Including materials and supplies	896	1,091	+21.8	1,261	+40.7	1,099	+22.7
Excluding materials and supplies	395	617	+56.2	794	+101.0	613	+55.2
Ratios							
Current assets to current liabilities:							
Including materials and supplies	1.45	1.55		1.63		1.53	
Excluding materials and supplies	1.20	1.31		1.40		1.30	
Cash and temporary cash investments to current liabilities	0.74	0.82		0.88		0.76	

[1] Revised.

TABLE 16.—*Condensed income account—class I line-haul railroads, 1961–65*

Item	Calendar year				12 months ended with June 30, 1965
	1961	1962	1963	1964	
	Millions	*Millions*	*Millions*	*Millions*	*Millions*
Revenue and other income	$9,511	$9,765	$9,889	$10,225	$10,346
Cost of materials, depreciation, and other expenses except wages and salaries	3,235	3,357	3,472	3,700	3,829
Taxes, including income, profits, and payroll	991	905	886	871	858
Total deductions	4,226	4,262	4,358	4,571	4,687
Remainder for employees and investors	5,285	5,503	5,531	5,654	5,659
Wages and salaries [1]	4,425	4,452	4,395	4,467	4,467
Investors' share:					
Rent for leased roads [2]	48	47	47	51	58
Interest on obligations	364	357	359	366	372
Other deductions [3]	66	76	78	72	70
For dividends and surplus	382	571	652	698	692
Total	860	1,051	1,136	1,187	1,192
Percent wages and salaries	83.7	80.9	79.5	79.0	78.9
Percent investors' share	16.3	19.1	20.5	21.0	21.1

[1] Chargeable to operating expenses and not including the following amounts of payroll taxes, in millions: 12 months ended June 30, 1965, $394; year 1964, $385; year 1963, $374; year 1962, $382; and year 1961, $364.
[2] Represents largely intercompany payments among railroads in the form of interest and dividends.
[3] Miscellaneous deductions from income applicable to "other income" shown, contingent charges (capital and other funds), and amortization of discount on funded debt.

TABLE 17.—*Number and compensation of employees: Class I line-haul railroads, 1955–64*

Year ended Dec. 31—	Average number of employees during year [1]	Total hours paid for	Compensation of railroad employees [2]			
			Total	Average per hour	Ratio to revenues	Ratio to expenses
		Thousands	*Thousands*		*Percent*	*Percent*
1955	1, 057, 866	2, 502, 608	$4, 992, 235	$1. 995	49. 40	65. 29
1956	1, 043, 447	2, 466, 176	5, 324, 672	2. 159	50. 47	65. 67
1957	984, 974	2, 314, 973	5, 358, 049	2. 315	51. 07	65. 12
1958	840, 580	1, 980, 557	4, 929, 906	2. 489	51. 54	65. 35
1959	815, 509	1, 924, 500	4, 986, 251	2. 591	50. 75	64. 72
1960	780, 971	1, 840, 615	4, 893, 622	2. 659	51. 43	64. 68
1961	715, 985	1, 698, 704	4, 623, 981	2. 722	50. 32	63. 57
1962	700, 146	1, 672, 389	4, 662, 113	2. 788	49. 39	62. 84
1963	679, 867	1, 640, 868	4, 629, 784	2. 822	48. 43	62. 13
1964	665, 034	1, 619, 804	4, 697, 884	2. 900	47. 66	60. 71

[1] This is the average of 12 counts made at middle of month and differs from the number of persons receiving pay during the month of year regardless of whether for a long or short period.
[2] In 1964, $4,467,289,938 or 95.09 percent of the reported compensation was chargeable to operating expenses.

TABLE 18.—*Average number of employees, class I line-haul railroads (middle-of-the-month count), 1955–65*

Years	Executives, officials, and staff assistants	Professional, clerical, and general	Maintenance of way and structures	Maintenance of equipment and stores	Transportation (other than train, engine, and yard)	Transportation (yardmasters, switch hostlers)	Transportation (train and engine service)	Total
1955	16, 074	196, 691	196, 794	273, 125	125, 519	14, 196	235, 467	1, 057, 866
1956	16, 299	196, 374	185, 923	265, 774	122, 449	14, 468	242, 160	1, 043, 447
1957	16, 240	189, 829	170, 599	246, 169	114, 671	14, 694	232, 772	984, 974
1958	15, 463	173, 104	134, 122	196, 597	102, 177	12, 897	206, 220	840, 580
1959	15, 155	166, 713	126, 988	194, 514	95, 598	12, 388	204, 153	815, 509
1960	15, 050	161, 540	118, 597	184, 105	89, 950	12, 092	199, 637	780, 971
1961	14, 595	151, 231	105, 219	163, 728	82, 510	11, 267	187, 435	715, 985
1962	14, 454	145, 903	102, 274	161, 080	77, 743	10, 713	187, 979	700, 146
1963	14, 505	140, 617	99, 297	156, 884	72, 475	10, 302	185, 787	679, 867
1964	14, 715	138, 483	98, 615	154, 652	68, 513	10, 081	179, 975	665, 034
June 1964	14, 770	139, 543	104, 344	156, 155	69, 501	10, 053	181, 295	675, 761
June 1965	14, 759	137, 045	99, 162	149, 250	66, 104	10, 005	174, 236	650, 561

TABLE 19.—*Freight transportation service performed by line-haul railroads, 1955–64*

Year ended Dec. 31—	Revenue tons originated	Revenue tons carried 1 mile	Loaded car miles	Average haul		Average amount received for each ton originated	Revenue per ton-mile
				United States as a system	For the individual road		
	Thousands	*Millions*	*Millions*	*Miles*	*Miles*		*Cents*
1955	1, 455, 625	626, 892	20, 226	430. 67	227. 88	$5. 953	1. 382
1956	1, 521, 163	651, 188	20, 364	428. 09	228. 02	5. 975	1. 396
1957	1, 449, 007	621, 907	19, 183	429. 20	230. 77	6. 255	1. 457
1958	1, 247, 407	554, 534	17, 273	444. 55	239. 30	6. 568	1. 477
1959	1, 292, 581	578, 637	17, 905	447. 66	239. 36	6. 531	1. 459
1960	1, 301, 303	575, 360	17, 379	442. 14	238. 83	6. 264	1. 417
1961	1, 252, 868	566, 295	16, 753	452. 00	244. 56	6. 273	1. 388
1962	1, 293, 572	595, 774	17, 086	460. 57	248. 22	6. 273	1. 362
1963	1, 347, 427	625, 170	17, 237	463. 97	250. 77	6. 138	1. 323
1964	1, 420, 260	662, 089	17, 596	466. 17	251. 94	6. 037	1. 295

TABLE 20.—*Passenger transportation service performed by line-haul railroads, 1955–64*

Year ended Dec. 31—	Passengers carried	Passenger-miles	Average journey per passenger[1]	Average receipts per passenger	Revenue per passenger-mile
	Millions	*Millions*	*Miles*		*Cents*
1955	433	28,548	65.88	$1.716	2.605
1956	430	28,216	65.62	1.762	2.685
1957	413	25,914	62.80	1.785	2.842
1958	382	23,295	61.04	1.772	2.903
1959	354	22,075	62.42	1.845	2.955
1960	327	21,284	65.05	1.961	3.014
1961	318	20,308	63.79	1.966	3.082
1962	313	19,926	63.65	1.981	3.113
1963	311	18,519	59.55	1.896	3.183
1964	314	18,271	58.12	1.843	3.170

[1] This average is affected by the changing ratio of commutation traffic to the total traffic.

TABLE 21.—*Carload, trainload, and density of traffic: Class I line-haul railroads, 1955–64*

Year ended Dec. 31—	Ton-mile revenue and nonrevenue freight per loaded freight-car-mile	Revenue ton-miles per train-mile	Passenger-miles per car-mile	Passenger-miles per train-mile	Revenue ton-miles per mile of road	Passenger-miles per mile of road
1955	31.97	1,322	18	95	2,773,638	131,272
1956	32.83	1,375	18	97	2,893,286	130,454
1957	33.29	1,396	18	94	2,776,983	120,456
1958	32.89	1,388	19	94	2,486,153	109,152
1959	33.08	1,401	19	98	2,602,794	103,658
1960	33.86	1,426	19	102	2,592,653	100,761
1961	34.53	1,469	20	102	2,552,143	96,139
1962	35.62	1,519	20	103	2,707,807	96,111
1963	37.01	1,567	20	98	2,851,905	89,606
1964	38.34	1,588	22	99	3,027,744	89,047

TABLE 22.—*Fuel consumed by motive-power units, and rails and ties laid: Class I line-haul railroads, 1955–64*

Year ended Dec. 31—	Coal (net tons)	Fuel oil (thousands of gallons)	Diesel oil (thousands of gallons)	Electricity (thousands of kilowatt-hours)	Rails applied in replacement and betterment (all tracks) (tons)[1]	Ties laid in previously constructed tracks	
						Crossties (number)	Switch and bridge ties (feet) (b.m.)
1955	11,427,313	375,580	3,393,103	2,082,350	1,890,002	24,149,169	79,098,327
1956	8,581,869	191,426	3,565,919	2,091,478	1,731,234	23,646,332	74,099,682
1957	4,866,198	89,300	3,535,849	2,024,608	1,592,124	22,082,225	71,582,096
1958	1,150,102	67,172	3,381,838	1,805,676	920,780	16,029,558	54,985,488
1959	300,216	81,776	3,483,959	1,748,480	1,011,745	16,423,307	54,378,386
1960	39,307	89,270	3,471,781	1,641,243	914,733	14,318,721	49,902,467
1961	9,394	93,570	3,382,015	1,625,397	758,269	12,019,255	50,187,247
1962	8,256	100,871	3,462,725	1,686,923	822,931	13,428,392	48,717,261
1963	7,332	90,123	3,544,660	1,608,706	946,965	13,667,388	46,920,856
1964	6,831	85,389	3,630,332	1,514,731	1,008,549	14,738,013	49,332,964

[1] Tons of 2,240 pounds prior to 1955; tons of 2,000 pounds subsequent years.

TABLE 23.—*Selected freight service operating statistics, class I line-haul railroads, 1955–65*

Year ended Dec. 31—	Average miles of road operated	Total revenue ton-miles	Tons of revenue freight carried	Revenue per ton-mile	Miles per revenue ton per road (average haul)	Net ton-miles per mile of road per day	Train-miles per train-hour (average)	Percent of freight cars unserviceable
		Thousands	*Millions*	*Cents*				
1955	223, 291	623, 615	2, 606, 504	1. 37	237. 6	7, 922	18. 6	5. 2
1956	222, 251	647, 077	2, 705, 264	1. 38	239. 2	8, 213	18. 6	3. 8
1957	221, 213	618, 194	2, 552, 195	1. 44	242. 2	7, 886	18. 8	4. 7
1958	220, 518	551, 667	2, 195, 094	1. 46	251. 3	7, 050	19. 2	6. 7
1959	219, 746	575, 529	2, 284, 611	1. 44	251. 9	7, 384	19. 5	7. 5
1960	219, 381	572, 309	2, 280, 889	1. 40	250. 9	7, 325	19. 5	7. 6
1961	219, 428	563, 361	2, 192, 193	1. 37	257. 0	7, 233	19. 9	8. 2
1962	217, 388	592, 862	2, 271, 960	1. 35	261. 0	7, 657	20. 0	7. 5
1963	216, 639	621, 659	2, 371, 137	1. 31	262. 2	8, 054	20. 1	6. 9
1964	215, 678	659, 327	2, 499, 385	1. 28	263. 8	8, 496	20. 2	5. 4
January–June 1964	215, 881	324, 306	1, 200, 377	1. 29	270. 2	8, 414	20. 4	5. 5
January–June 1965	212, 327	340, 770	1, 229, 913	1. 26	277. 1	8, 987	20. 1	5. 2

TABLE 24.—*Selected passenger service operating statistics, class I line-haul railroads, 1955–65*

Year ended Dec. 31—	Average miles of road operated	Passengers carried	Total passenger-miles	Revenues per passenger per mile (includes commutation)	Revenues per passenger per mile (excludes commutation)	Passenger train-miles	Train-miles per train-hour	Percent passenger cars unserviceable
		Thousands	*Millions*	*Cents*	*Cents*	*Thousands*		
1955	120, 711	431, 999	28, 526	2. 60	2. 70	298, 838	39. 8	7. 4
1956	115, 907	428, 510	28, 185	2. 68	2. 78	289, 866	40. 0	6. 7
1957	112, 560	411, 172	25, 885	2. 84	2. 95	274, 789	40. 2	5. 5
1958	106, 439	380, 340	23, 269	2. 90	2. 99	246, 402	40. 2	8. 1
1959	99, 989	352, 326	22, 047	2. 95	3. 00	225, 045	40. 3	9. 6
1960	94, 117	325, 872	21, 258	3. 01	3. 03	209, 367	40. 7	8. 7
1961	89, 515	317, 024	20, 283	3. 08	3. 08	198, 443	40. 9	9. 6
1962	86, 028	311, 738	19, 902	3. 11	3. 10	193, 211	40. 9	10. 5
1963	84, 928	309, 603	18, 497	3. 18	3. 18	189, 360	40. 9	11. 4
1964	81, 795	313, 016	18, 248	3. 17	3. 16	183, 557	41. 4	9. 8
January–June 1964	82, 036	156, 888	8, 704	3. 23	3. 24	91, 854	41. 5	10. 3
January–June 1965	79, 737	148, 050	8, 153	3. 25	3. 24	86, 124	41. 3	8. 7

TABLE 25.—*Revenues and expenses of electric railways, 1955–64*

Year ended Dec. 31—	Number of companies represented	Miles of road operated	Operating revenues			Operating expenses	Operating ratio
			Freight	Passenger	Total		
							Percent
1955	40	1, 559	$38, 474, 566	$9, 841, 443	$60, 284, 483	$52, 067, 219	86. 37
1956	38	1, 427	31, 886, 123	8, 767, 437	48, 656, 435	46, 037, 290	94. 62
1957	35	1, 319	29, 878, 235	8, 415, 815	45, 267, 098	43, 154, 449	95. 33
1958	34	773	17, 081, 785	7, 963, 012	29, 932, 221	28, 588, 182	95. 51
1959	30	542	12, 121, 111	8, 199, 392	24, 503, 559	23, 188, 326	94. 63
1960	23	469	10, 354, 240	8, 486, 525	22, 834, 297	21, 848, 931	95. 68
1961	23	402	10, 123, 335	8, 134, 329	22, 297, 468	21, 421, 740	96. 07
1962	18	394	9, 888, 752	7, 952, 672	21, 756, 436	20, 917, 797	96. 15
1963	15	265	8, 136, 406	3, 583, 296	13, 793, 171	12, 499, 851	90. 62
1964	15	265	7, 942, 610	3, 395, 968	13, 412, 944	11, 964, 264	89. 20

TABLE 26.—*Taxes, net income, and employment of electric railways, 1955–64*

Year ended Dec. 31—	Taxes		Net income [1]	Employees	
	U.S. Government	Other than U.S. Government		Average number	Compensation
1955	$3,562,177	$2,112,088	$4,565,861	7,486	$33,748,856
1956	2,365,536	1,542,190	1,086,011	6,092	30,508,301
1957	1,923,510	1,583,160	688,616	5,542	28,381,168
1958	1,387,661	866,245	*820,358*	3,193	16,098,199
1959	1,672,730	771,676	*654,280*	2,673	13,362,069
1960	1,152,726	674,124	*545,387*	2,301	12,880,674
1961	1,167,359	637,796	*747,418*	2,258	12,926,146
1962	1,132,647	601,659	*692,224*	2,040	12,110,420
1963	625,556	398,978	289,709	1,107	7,205,313
1964	713,394	355,718	452,062	1,003	6,622,980

[1] Deficit shown in italics.

TABLE 27.—*Selected balance sheet items, electric railways, 1955–64*

Year ended Dec. 31—	Current assets	Net investment in transportation property [1]	All other assets [2]	Current liabilities	Long-term debt [3]	All other liabilities	Shareholders' equity
1955	$24,633,231	$163,360,330	*$12,638,420*	$22,947,230	$111,116,262	$3,416,006	$37,875,643
1956	18,923,531	142,152,557	*17,875,415*	19,826,957	104,221,377	5,087,839	14,064,500
1957	13,661,799	139,140,440	*15,627,162*	17,005,745	104,490,429	4,436,399	11,242,504
1958	12,411,254	90,498,740	*26,439,793*	13,947,984	24,414,818	2,516,898	35,590,501
1959	9,001,969	70,709,667	*22,189,126*	11,261,693	10,151,165	1,266,680	34,842,972
1960	6,601,244	61,562,366	*30,123,661*	4,674,319	3,059,214	954,449	29,351,967
1961	5,232,875	52,712,610	*18,680,314*	4,153,129	3,528,709	619,930	30,963,403
1962	5,812,075	51,278,190	*19,222,741*	4,300,471	3,627,212	877,067	29,062,774
1963	4,170,745	26,837,729	*64,705*	2,499,389	1,927,691	393,229	26,123,460
1964	4,280,419	26,594,357	33,870	2,547,373	1,544,691	485,557	26,331,025

[1] Excludes acquisition adjustment and donations and grants.
[2] Deficit shown in italics.
[3] Includes long-term debt due within 1 year.

TABLE 28.—*Operating income, net income, and rates of return, electric railways, 1955–64*

Year ended Dec. 31—	Net investment in transportation property plus working capital	Operating income [1]	Ratio of operating income to net investment in transportation property plus working capital	Shareholders' equity	Net income [1]	Ratio of net income to shareholders' equity
			Percent			*Percent*
1955	$165,046,331	$2,740,033	1.66	$37,875,643	$4,565,861	12.05
1956	141,249,131	*1,250,473*	------------	14,064,500	1,086,011	7.72
1957	135,796,494	*1,476,568*	------------	11,242,504	688,616	6.13
1958	88,962,010	*938,735*	------------	35,590,501	*820,358*	------------
1959	68,449,943	*1,080,892*	------------	34,842,972	*654,280*	------------
1960	63,489,291	*811,314*	------------	29,351,967	*545,387*	------------
1961	53,792,356	*933,827*	------------	30,963,403	*747,418*	------------
1962	52,789,794	*879,377*	------------	29,062,774	*692,224*	------------
1963	28,509,085	268,786	.94	26,123,460	289,709	1.11
1964	28,327,403	379,568	1.34	26,331,025	452,062	1.72

[1] Deficit shown in italics.

TABLE 29.—*Revenues, expenses, net income, and employment of refrigerator car lines owned or controlled by railroads, 1960–64*

Year ended Dec. 31—	Number of companies represented	Operating revenues	Operating expenses	Operating ratio	Income taxes	Net income	Employees	
							Average number	Compensation
				Percent				
1960	8	$141, 246, 762	$102, 116, 944	72. 30	$3, 783, 820	$13, 850, 666	7, 320	$38, 722, 259
1961	8	138, 021, 938	102, 325, 996	74. 14	4, 682, 361	8, 878, 573	6, 608	39, 169, 375
1962	8	140, 324, 418	101, 654, 801	72. 44	2, 001, 244	13, 830, 014	6, 583	37, 666, 715
1963	7	142, 293, 303	104, 940, 685	73. 75	696, 677	13, 877, 213	6, 545	38, 276, 464
1964	7	153, 105, 764	108, 353, 974	70. 77	1, 703, 056	16, 136, 320	6, 452	38, 468, 070

TABLE 30.—*Selected balance sheet items of refrigerator car lines owned or controlled by railroads, 1960–64*

Year ended Dec. 31—	Current assets	Net investment in transportation property	All other assets	Current liabilities [1]	Long-term debt due after 1 year	All other liabilities	Shareholders' equity
1960	$65, 447, 106	$310, 332, 629	$10, 372, 620	$48, 341, 043	$138, 657, 345	$5, 860, 227	$193, 293, 740
1961	62, 011, 039	310, 738, 146	5, 784, 789	52, 642, 814	127, 276, 564	3, 702, 670	194, 911, 926
1962	59, 757, 272	320, 875, 655	6, 979, 444	51, 357, 287	131, 943, 192	3, 192, 995	201, 118, 897
1963	55, 038, 855	339, 769, 589	5, 685, 313	50, 430, 091	138, 785, 363	4, 332, 193	206, 946, 110
1964	61, 148, 593	347, 024, 122	3, 646, 473	53, 783, 522	138, 625, 945	3, 754, 391	215, 655, 330

[1] Includes long-term debt due within 1 year.

TABLE 31.—*Carline operating income before income taxes, net income, and rate of return of refrigerator car lines owned or operated by railroads, 1960–64*

Year ended Dec. 31—	Net investment in transportation property plus working capital	Carline operating income before income taxes	Ratio of carline operating income before income taxes to net investment in transportation property plus working capital	Shareholders' equity	Net income	Ratio of net income to shareholders' equity
			Percent			Percent
1960	$327, 438, 692	$29, 470, 408	9. 00	$193, 293, 740	$13, 850, 666	7. 17
1961	320, 106, 371	26, 165, 454	8. 17	194, 911, 926	8, 878, 573	4. 56
1962	329, 275, 640	28, 668, 942	8. 71	201, 118, 897	13, 830, 014	6. 88
1963	344, 378, 353	25, 741, 581	7. 47	206, 946, 110	13, 877, 213	6. 71
1964	354, 389, 193	30, 857, 171	8. 71	215, 655, 330	16, 136, 320	7. 48

TABLE 32.—*Selected statistics of nonrailroad controlled private car owners,[1] 1960–64*

Year ended Dec. 31—	Cars owned at close of year					Revenue receivable	Miles made by owned cars
	Refrigerator	Petroleum	Other tank	Other [2]	Total		
						Thousands	Thousands
1960	20, 429	78, 055	80, 924	75, 888	255, 296	$284, 706	3, 226, 706
1961	18, 649	129, 541	27, 058	84, 613	259, 861	297, 470	3, 194, 959
1962	17, 453	128, 368	27, 783	87, 076	260, 680	301, 000	3, 350, 361
1963	16, 554	127, 526	29, 156	101, 183	274, 419	312, 868	3, 456, 817
1964	15, 211	125, 876	30, 562	114, 462	286, 111	356, 252	3, 550, 739

[1] Confined to owners of 10 or more cars. Does not include railroad owned or controlled refrigerator car lines.
[2] Includes stock, gondola, hopper, airdump, box, cradle, flat, vat, etc., cars

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TABLE 33.—*Concentration in motor carrier of property industry, 1957–63*

Revenue group	1957	1958	1959	1960	1961	1962	1963 [1]	1957	1958	1959	1960	1961	1962	1963 [1]
	General commodity carriers													
	Number of carriers							Revenues (millions of dollars)						
	6,602	6,236	5,952	6,290	6,312	6,123	5,902	$3,666.8	$3,690.2	$4,257.2	$4,293.5	$4,483.1	$4,776.1	$5,073.1
	Percentage distribution													
Over $10,000,000	0.97	1.11	1.40	1.29	1.47	1.68	1.83	32.84	34.71	39.48	39.78	43.43	47.54	50.58
$5,000,001 to $10,000,000	1.35	1.31	1.76	1.62	1.57	1.67	1.64	17.09	15.72	16.77	16.67	15.42	14.93	13.75
$2,500,001 to $5,000,000	2.50	2.66	2.84	2.62	2.58	2.66	2.90	15.84	15.82	14.07	13.62	12.79	11.74	11.90
$1,000,001 to $2,500,000	4.82	5.24	5.44	5.26	5.34	4.95	4.86	13.75	13.98	12.18	12.33	11.79	9.89	9.11
$500,001 to $1,000,000	5.98	6.29	6.65	6.01	5.89	6.19	6.40	7.50	7.51	6.70	6.40	5.88	5.63	5.20
$300,001 to $500,000	5.47	5.31	5.88	5.72	5.31	6.14	6.05	3.79	3.49	3.22	3.28	2.92	3.07	2.74
$200,001 to $300,000	5.32	5.55	6.13	6.07	6.54	6.45	7.37	2.33	2.28	2.08	2.14	2.24	2.01	2.07
$100,001 to $200,000	13.43	13.44	14.67	14.41	14.42	14.99	15.03	3.45	3.27	2.95	3.03	2.90	2.79	2.53
$50,001 to $100,000	13.43	13.68	13.27	13.75	13.85	13.85	13.79	1.76	1.70	1.35	1.46	1.42	1.29	1.16
$25,001 to $50,000	15.51	15.47	15.26	15.22	14.50	15.17	14.76	1.03	0.96	0.78	0.83	0.76	0.73	0.63
Up to $25,000	31.22	29.94	26.70	28.03	28.53	26.25	25.37	0.62	0.56	0.42	0.46	0.45	0.38	0.33
Total	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
	Household goods carriers													
	Number of carriers							Revenues (millions of dollars)						
	1,581	1,644	1,515	1,635	2,187	2,236	2,207	$359.2	$382.2	$434.8	$462.1	$492.2	$538.5	$575.6
	Percentage distribution													
Over $10,000,000	0.32	0.36	0.40	0.43	0.32	0.31	0.36	39.12	41.78	41.48	43.52	40.61	40.59	41.57
$5,000,001 to $10,000,000	0.32	0.36	0.59	0.55	0.41	0.40	0.36	9.41	10.57	15.64	14.08	13.14	13.26	11.48
$2,500,001 to $5,000,000	0.57	0.49	0.46	0.55	0.27	0.40	0.45	9.02	7.95	6.12	6.81	4.52	5.99	6.22
$1,000,001 to $2,500,000	1.07	1.16	1.32	1.16	1.01	0.85	0.77	6.71	7.41	7.43	5.71	6.96	5.25	4.53
$500,001 to $1,000,000	1.58	1.28	1.72	1.77	1.55	1.70	2.27	5.04	3.82	4.18	4.16	4.64	4.84	5.97

$300,001 to $500,000	2.66	2.74	3.89	4.34	3.38	3.62	4.17	4.43	4.55	5.23	5.75	5.75	5.94	6.17
$200,001 to $300,000	5.63	4.50	4.62	3.49	3.57	4.65	5.35	6.13	4.76	3.93	3.03	3.83	4.66	5.03
$100,001 to $200,000	13.91	13.44	13.93	16.33	15.27	15.52	16.81	8.77	8.24	7.00	8.13	9.58	9.14	9.41
$50,001 to $100,000	18.53	17.70	18.88	17.31	16.05	17.13	17.54	5.82	5.47	4.71	4.46	5.17	5.06	4.97
$25,001 to $50,000	23.34	23.05	22.38	22.33	23.46	23.17	22.38	3.82	3.64	2.88	2.93	3.88	3.57	3.20
Up to $25,000	32.07	34.92	31.81	31.74	34.71	32.25	29.54	1.73	1.81	1.40	1.42	1.92	1.70	1.45
Total	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
	Other special commodity carriers													
	Number of carriers							Revenues (millions of dollars)						
	6,501	6,102	6,228	6,414	6,533	6,538	6,517	$1,783.8	$1,844.9	$2,206.4	$2,295.4	$2,371.8	$2,574.0	$2,671.0
	Percentage distribution													
Over $10,000,000	0.15	0.21	0.32	0.34	0.26	0.29	0.40	6.94	10.88	14.69	17.36	15.64	17.10	18.99
$5,000,001 to $10,000,000	0.55	0.46	0.61	0.56	0.60	0.80	0.74	12.93	10.14	11.22	10.73	11.69	14.51	12.63
$2,500,001 to $5,000,000	1.35	1.38	1.45	1.47	1.44	1.33	1.57	15.52	15.71	14.64	14.72	13.95	11.45	13.26
$1,000,001 to $2,500,000	3.98	4.00	4.85	4.71	4.88	4.88	4.86	20.44	20.13	20.47	19.73	20.76	19.43	18.27
$500,001 to $1,000,000	6.20	6.39	7.21	6.97	7.12	8.59	8.81	14.85	14.86	14.21	13.53	13.76	15.19	15.04
$300,001 to $500,000	8.03	7.60	7.77	7.61	8.02	7.75	8.30	10.62	9.85	8.52	8.31	8.61	7.73	7.84
$200,001 to $300,000	6.46	6.59	7.19	8.53	6.66	7.05	7.35	5.37	5.37	4.98	4.76	4.50	4.40	4.39
$100,001 to $200,000	14.08	14.18	14.63	13.92	14.60	14.12	14.25	6.85	6.68	5.98	5.56	5.80	5.27	5.03
$50,001 to $100,000	13.67	13.45	14.00	14.03	14.34	14.26	13.90	3.40	3.34	2.84	2.83	2.88	2.70	2.49
$25,001 to $50,000	15.72	15.73	15.19	15.70	15.35	15.69	15.02	1.96	1.93	1.57	1.64	1.57	1.47	1.36
Up to $25,000	29.81	30.01	26.78	26.16	26.73	25.24	24.80	1.12	1.11	0.88	0.83	0.84	0.75	0.70
Total	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00

[1] Does not include 355 class III carriers delinquent in reporting

TABLE 34.—*Operating revenues of class I intercity motor carriers of property, 1955–64*

Year ended Dec. 31—	Number of carriers represented	Operating revenues					
		Freight, intercity, common	Freight, intercity, contract	Freight, local	Transportation for other class I and II motor carriers	Other	Total
1955	2,244	$3,621,933,197	$294,443,889	$47,865,450	$37,879,128	$28,168,959	$4,030,290,623
1956	2,293	3,877,748,170	292,434,771	52,246,192	34,132,395	33,608,643	4,290,170,171
1957 [1]	837	3,564,135,633	176,463,724	41,390,632	25,921,273	27,712,720	3,835,623,982
1958	866	3,581,070,381	167,611,233	37,994,649	31,043,416	33,585,450	3,851,305,129
1959	890	4,261,388,069	202,372,796	44,233,742	45,855,624	36,461,897	4,590,312,128
1960	935	4,384,108,648	238,583,060	50,657,948	47,797,294	42,141,074	4,763,288,024
1961	972	4,583,203,216	183,338,169	52,436,172	46,641,618	42,827,530	4,908,446,705
1962	1,004	5,071,596,939	210,255,010	62,420,482	40,371,191	43,711,696	5,428,355,318
1963	1,004	5,388,416,804	212,452,389	67,692,483	42,691,909	45,137,687	5,756,391,272
1964	1,025	5,835,182,322	200,585,024	72,293,856	43,530,199	47,873,296	6,199,464,697

[1] Effective Jan. 1, 1957, the revenue qualification of a class I carrier was increased from average annual gross operating revenues of $200,000 to $1,000,000.

TABLE 35.—*Expenses, income, and employment of class I intercity motor carriers of property, 1955–64*

Year ended Dec. 31—	Operating expenses	Operating ratio	Income taxes [1]	Net income	Employees	
					Average number	Compensation
		Percent				
1955	$3,869,852,016	96.02	$63,483,675	$82,213,340	332,188	$1,690,207,740
1956	4,140,765,451	96.52	52,756,758	76,727,404	345,251	1,830,027,569
1957 [2]	3,702,311,610	96.52	48,877,288	62,417,991	296,032	1,665,588,360
1958	3,723,222,303	96.67	48,661,518	54,342,866	286,175	1,687,843,696
1959	4,391,553,404	95.67	75,619,226	91,937,429	317,606	1,999,922,882
1960	4,644,706,880	97.51	43,923,546	37,110,339	326,626	2,103,053,578
1961	4,717,566,285	96.11	72,010,216	83,767,584	323,508	2,137,999,162
1962	5,204,289,346	95.87	72,142,178	111,884,504	343,215	2,378,857,960
1963	5,520,248,782	95.90	74,547,281	121,724,524	351,104	2,545,847,548
1964	5,917,875,924	95.46	88,157,582	151,572,124	364,930	2,754,093,286

[1] Does not include income taxes of sole proprietorships, partnerships, and corporations that have elected to be taxed under section 1372(a) of the Internal Revenue Code.
[2] Effective Jan. 1, 1957, the revenue qualifications of a class I carrier was increased from average annual gross operating revenues of $200,000 to $1,000,000.

TABLE 36.—*Selected balance sheet items, class I intercity motor carriers of property, 1955–64*

Year ended Dec. 31—	Current assets	Net investment in transportation property	All other assets	Current liabilities [1]	Long-term debt	All other liabilities	Shareholder's and proprietor's equity
1955	$602,462,412	$779,873,952	$139,978,362	$424,850,260	$423,026,108	$441,319,217	$233,119,141
1956	653,202,170	889,854,213	162,182,867	444,812,398	528,834,434	484,000,425	247,591,993
1957 [2]	559,116,858	783,089,330	147,355,479	379,791,049	477,541,258	451,545,741	180,683,619
1958	604,463,555	794,582,694	174,182,965	561,061,512	338,557,662	480,702,622	192,907,418
1959	694,482,371	920,615,661	200,442,903	643,699,535	405,678,141	547,257,586	218,905,673
1960	686,264,344	994,213,875	237,658,376	664,042,798	467,341,489	552,900,524	233,851,784
1961	779,275,106	996,404,936	262,355,710	715,143,182	465,369,866	604,535,631	252,987,073
1962	826,309,390	1,089,634,162	306,228,960	760,171,960	509,407,622	692,763,760	259,829,170
1963	883,082,595	1,181,291,337	346,356,307	798,199,730	564,252,018	779,428,694	268,849,797
1964	972,086,230	1,275,197,668	374,974,634	861,748,509	612,696,893	876,245,796	271,567,334

[1] Include long-term debt due within 1 year in 1958–64. This item included in long-term debt in prior years.
[2] Effective Jan. 1, 1957, the revenue qualification of a class I carrier was increased from average annual gross operating revenues of $200,000 to $1,000,000.

TABLE 37.—*Net carrier operating income, net income, and rate of return, class I intercity motor carriers of property, 1955–64*

Year ended Dec. 31—	Net investment in transportation property plus working capital	Net carrier operating income	Ratio of net carrier operating income to net investment in transportation property plus working capital	Shareholders' and proprietors' equity	Net income	Ratio of net income to shareholders' and proprietors' equity
			Percent			*Percent*
1955	$957, 486, 104	$159, 460, 092	16. 65	$233, 119, 141	$82, 213, 340	35. 27
1956	1, 098, 243, 985	148, 841, 963	13. 55	247, 591, 993	76, 727, 404	30. 99
1957 [1]	962, 415, 139	132, 584, 761	13. 78	180, 683, 619	62, 417, 991	34. 55
1958	837, 984, 737	127, 353, 202	15. 20	192, 907, 418	54, 342, 866	28. 17
1959	971, 398, 497	196, 970, 803	20. 28	218, 905, 673	91, 937, 429	42. 00
1960	1, 016, 435, 421	117, 231, 299	11. 53	233, 851, 784	37, 110, 339	15. 87
1961	1, 060, 536, 860	189, 079, 248	17. 83	252, 987, 073	83, 767, 584	33. 11
1962	1, 155, 771, 592	222, 186, 641	19. 22	259, 829, 170	111, 884, 504	43. 06
1963	1, 266, 174, 202	234, 563, 508	18. 53	268, 849, 797	121, 724, 524	45. 28
1964	1, 385, 535, 389	280, 203, 751	20. 22	271, 567, 334	151, 572, 124	55. 81

[1] Effective Jan. 1, 1957, the revenue qualification of a class I carrier was increased from average annual gross operating revenue of $200,000 to $1,000,000.

TABLE 38.—*Revenues, expenses, net income, and employment of class I local motor carriers of property, 1955–64*

Year ended Dec. 31—	Number of carriers represented	Operating revenues	Operating expenses	Operating ratio	Income taxes [1]	Net income	Employees	
							Average number	Compensation
				Percent				
1955	490	$356, 555, 826	$344, 756, 597	96. 69	$6, 432, 878	$11, 710, 768	41, 902	$208, 652, 639
1956	505	397, 299, 321	387, 000, 009	97. 41	5, 701, 521	10, 619, 654	45, 488	233, 418, 105
1957 [2]	75	210, 595, 762	204, 575, 363	97. 14	3, 047, 345	5, 366, 446	22, 337	126, 557, 802
1958	89	250, 226, 268	244, 676, 454	97. 78	3, 353, 282	4, 904, 403	25, 697	148, 289, 473
1959	88	274, 727, 871	267, 800, 428	97. 48	4, 327, 149	5, 182, 206	26, 319	163, 498, 242
1960	94	310, 673, 381	303, 830, 516	97. 80	3, 843, 155	5, 525, 153	29, 487	190, 228, 888
1961	102	388, 318, 067	376, 811, 267	97. 04	6, 343, 688	7, 540, 202	35, 393	233, 103, 901
1962	104	412, 866, 496	400, 316, 892	96. 96	5, 820, 331	8, 809, 831	36, 176	245, 922, 155
1963	108	458, 418, 006	443, 822, 720	96. 82	3, 525, 928	13, 958, 152	38, 711	275, 128, 337
1964	115	542, 785, 145	520, 505, 420	95. 90	6, 640, 807	17, 993, 872	44, 102	323, 804, 063

[1] Does not include income taxes of sole proprietorships, partnerships, and corporations that have elected to be taxed under section 1372(a) of the Internal Revenue Code.
[2] Effective Jan. 1, 1957, the revenue qualification of a class I carrier was increased from average annual gross operating revenues of $200,000 to $1,000,000.

TABLE 39.—*Selected balance sheet items, class I local motor carriers of property, 1955–64*

Year ended Dec. 31—	Current assets	Net investment in transportation property	All other assets	Current liabilities [1]	Long-term debt	All other liabilities	Shareholders' and proprietors' equity
1955	$76, 942, 409	$65, 754, 242	$42, 425, 756	$46, 084, 806	$30, 973, 244	$63, 498, 593	$44, 565, 764
1956	82, 449, 560	76, 414, 447	45, 563, 747	49, 347, 036	40, 710, 422	69, 919, 907	44, 450, 389
1957 [2]	41, 204, 959	39, 209, 469	22, 005, 467	23, 866, 564	16, 861, 307	42, 559, 799	19, 132, 225
1958	51, 599, 783	50, 257, 237	22, 345, 785	32, 521, 371	14, 173, 513	46, 479, 096	31, 028, 825
1959	53, 002, 570	56, 042, 076	24, 440, 932	37, 642, 841	16, 365, 350	48, 104, 496	31, 372, 891
1960	65, 593, 976	77, 428, 076	27, 952, 416	44, 550, 780	31, 687, 212	62, 355, 958	32, 380, 518
1961	79, 064, 233	87, 244, 150	34, 016, 600	53, 404, 004	43, 603, 261	70, 614, 544	32, 703, 174
1962	79, 407, 856	99, 173, 890	38, 795, 159	57, 461, 687	50, 708, 406	77, 058, 222	32, 148, 590
1963	84, 209, 327	111, 666, 135	41, 038, 420	65, 832, 675	57, 392, 875	79, 133, 974	34, 554, 358
1964	97, 530, 988	132, 620, 376	44, 584, 714	74, 138, 773	66, 397, 719	94, 849, 462	39, 350, 124

[1] Includes long-term debt due within 1 year in 1958–64. This item included in long-term debt in prior years.
[2] Effective Jan. 1, 1957, the revenue qualificatoin of a class I carrier was increased from average annual gross operating revenues of $200,000 to $1,000,000.

TABLE 40.—*Net carrier operating income, net income, and rate of return, class I local motor carriers of property, 1955–64*

Year ended Dec. 31—	Net investment in transportation property plus working capital	Net carrier operating income	Ratio of net carrier operating income to net investment in transportation property plus working capital	Shareholders' and proprietors' equity	Net income	Ratio of net income to shareholders' and proprietors' equity
			Percent			*Percent*
1955	$96,611,845	$11,928,564	12.35	$44,565,764	$11,710,768	26.28
1956	109,516,971	10,265,421	9.37	44,450,389	10,619,654	23.89
1957 [1]	56,547,864	6,018,273	10.64	19,132,225	5,366,446	28.05
1958	69,335,649	5,556,514	8.01	31,028,825	4,904,403	15.81
1959	71,401,805	6,927,443	9.70	31,372,891	5,182,206	16.52
1960	98,471,272	6,842,865	6.95	32,380,518	5,525,153	17.06
1961	112,904,379	11,702,051	10.36	32,703,174	7,540,202	23.06
1962	121,120,059	12,568,082	10.38	32,148,590	8,809,831	27.40
1963	130,042,870	14,595,286	11.22	34,554,358	13,958,152	40.39
1964	156,012,591	22,269,603	14.27	39,350,124	17,993,872	45.73

[1] Effective Jan. 1, 1957, the revenue qualification of a class I carrier was increased from average annual gross operating revenues of $200,000 to $1,000,000.

TABLE 41.—*Operating revenues of class I intercity motor carriers of passengers, 1955–65*

Year ended Dec. 31—	Number of carriers represented	Operating revenues				
		Passenger intercity schedules	Local and suburban schedules	Charter or special service	Other operating	Total
1955	146	$294,934,688	$19,824,786	$22,345,936	$24,538,764	$361,644,174
1956	145	303,888,021	20,404,540	25,258,574	27,623,932	377,175,067
1957	144	324,746,504	20,504,968	29,551,417	31,825,953	406,628,842
1958	136	328,040,128	17,019,995	30,088,440	34,584,511	409,733,074
1959	143	343,942,913	21,442,739	32,587,191	41,154,227	439,127,070
1960	143	354,794,895	26,868,306	36,015,530	45,436,433	463,115,164
1961	144	370,410,897	25,767,711	38,377,147	49,973,623	484,529,378
1962	151	406,024,181	79,412,927	46,868,828	56,251,477	588,557,413
1963	148	418,971,046	78,538,461	51,202,947	61,043,426	609,755,880
1964	161	442,010,929	79,269,145	64,006,553	69,802,540	655,089,167
January–June 1964	147					256,363,438
January–June 1965	147					269,332,727

TABLE 42.—*Expenses, income, and employment of class I intercity motor carriers of passengers, 1955–65*

Year ended Dec. 31—	Operating expenses	Operating ratio	Income taxes [1]	Net income	Employees	
					Average number	Compensation
		Percent				
1955	$330,597,833	91.42	$13,748,447	$15,570,433	35,709	$158,932,158
1956	342,778,346	90.88	16,653,925	17,272,762	35,553	163,673,344
1957	370,508,925	91.12	16,347,686	19,598,007	36,163	177,923,357
1958	366,087,187	89.35	20,873,378	19,834,247	33,965	175,973,247
1959	380,254,158	86.59	28,292,178	28,693,575	33,454	183,759,036
1960	405,392,669	87.54	26,583,765	28,231,075	34,514	196,152,376
1961	422,579,715	87.21	27,431,817	31,345,119	34,875	208,686,225
1962	511,103,086	86.84	31,497,535	43,490,854	41,961	260,333,360
1963	529,007,640	86.76	34,174,804	47,687,838	42,070	270,095,800
1964	570,143,551	87.03	32,644,299	52,404,876	43,455	287,630,514
January–June 1964	229,870,126	85.36		15,702,098		
January–June 1965	241,023,060	84.35		16,643,440		

[1] Does not include income taxes applicable to sole proprietorships, partnerships, and corporations that have elected to be taxed under section 1372(a) of the Internal Revenue Code.

TABLE 43.—*Net carrier operating income, net income, and rate of return, class I intercity motor carriers of passengers, 1955–64*

Year ended Dec. 31—	Net investment in transportation property plus working capital	Net carrier operating income	Ratio of net carrier operating income to net investment in transportation property plus working capital	Shareholders' and proprietors' equity	Net income	Ratio of net income to shareholders' and proprietors' equity
			Percent			*Percent*
1955	$197, 083, 163	$31, 013, 697	15. 74	$51, 598, 427	$15, 570, 433	30. 18
1956	198, 993, 092	34, 361, 267	17. 27	47, 533, 573	17, 272, 762	36. 34
1957	216, 181, 239	36, 099, 148	16. 70	30, 237, 089	19, 598, 007	64. 81
1958	210, 485, 728	43, 563, 261	20. 70	29, 396, 011	19, 834, 247	67. 47
1959	202, 927, 933	58, 764, 788	28. 96	25, 320, 724	28, 693, 575	113. 32
1960	209, 168, 440	57, 595, 903	27. 54	43, 105, 627	28, 231, 075	65. 49
1961	223, 430, 149	61, 737, 229	27. 63	40, 858, 569	31, 345, 119	76. 72
1962	280, 088, 333	77, 278, 578	27. 59	70, 122, 115	43, 490, 854	62. 02
1963	290, 344, 095	80, 704, 752	27. 80	73, 433, 256	47, 687, 838	64. 94
1964	315, 884, 642	84, 927, 584	26. 89	74, 454, 251	52, 404, 876	70. 39

TABLE 44.—*Selected balance sheet items, class I intercity motor carriers of passengers, 1955–64*

Year ended Dec. 31—	Current assets	Net investment in transportation property	All other assets	Current liabilities [1]	Long-term debt	All other liabilities	Shareholders' and proprietors' equity
1955	$76, 239, 638	$175, 747, 584	$73, 081, 484	$54, 904, 059	$125, 716, 213	$92, 850, 007	$51, 598, 427
1956	83, 900, 956	171, 989, 787	73, 128, 225	56, 897, 651	136, 581, 692	88, 006, 052	47, 533, 573
1957	77, 074, 460	194, 797, 273	54, 833, 470	55, 690, 494	162, 116, 235	78, 661, 385	30, 237, 089
1958	78, 047, 955	207, 275, 612	49, 915, 651	74, 837, 839	152, 206, 113	78, 799, 255	29, 396, 011
1959	68, 342, 313	198, 391, 472	47, 451, 715	63, 805, 852	165, 796, 419	59, 262, 505	25, 320, 724
1960	69, 903, 593	208, 705, 363	48, 282, 979	69, 440, 516	164, 690, 840	49, 654, 952	43, 105, 627
1961	79, 329, 724	219, 240, 590	47, 513, 239	75, 140, 165	170, 762, 401	59, 322, 418	40, 858, 569
1962	86, 389, 542	277, 698, 578	50, 135, 306	83, 999, 787	185, 226, 035	74, 875, 489	70, 122, 115
1963	91, 264, 160	284, 776, 544	62, 404, 937	85, 696, 609	193, 771, 420	85, 544, 356	73, 433, 256
1964	96, 857, 015	313, 844, 853	69, 723, 484	94, 817, 226	212, 319, 279	98, 834, 596	74, 454, 251

[1] Includes long-term debt due within 1 year in 1958–64 only. This item included in long-term debt in prior years.

TABLE 45.—*Revenues, expenses, net income, and employment of class I local motor carriers of passengers, 1955–65*

Year ended Dec. 31—	Number of carriers represented	Operating revenues	Operating expenses	Operating ratio	Income taxes [1]	Net income	Employees	
							Average number	Compensation
				Percent				
1955	60	$109, 001, 856	$107, 442, 282	98. 57	$1, 303, 549	$375, 139	15, 025	$64, 229, 700
1956	56	110, 226, 850	106, 255, 951	96. 40	1, 531, 550	2, 788, 013	14, 178	63, 167, 995
1957	56	111, 492, 262	108, 008, 465	96. 88	1, 204, 548	2, 412, 586	13, 672	64, 076, 258
1958	54	110, 459, 451	109, 099, 223	98. 77	1, 001, 454	432, 394	13, 465	64, 898, 058
1959	48	109, 178, 992	105, 390, 024	96. 53	728, 143	3, 396, 226	12, 587	62, 298, 759
1960	55	116, 358, 077	111, 972, 297	96. 23	2, 125, 899	2, 735, 455	12, 451	66, 494, 726
1961	58	120, 466, 755	116, 979, 553	97. 11	1, 262, 986	2, 547, 255	12, 637	68, 822, 493
1962	58	63, 356, 514	61, 208, 726	96. 61	1, 245, 449	1, 939, 860	6, 143	33, 068, 964
1963	59	64, 561, 821	62, 276, 840	96. 46	1, 393, 234	1, 986, 392	6, 117	33, 436, 966
1964	62	71, 990, 544	68, 032, 709	94. 50	1, 865, 422	3, 474, 069	6, 080	34, 691, 197
January–June 1964	78	76, 756, 328	75, 810, 125	92. 97		337, 356		
January–June 1965	78	80, 872, 113	78, 644, 367	94. 26		1, 786, 317		

[1] Does not include income taxes applicable to sole proprietorships, partnerships, and corporations that have elected to be taxed under section 1372(a) of the Internal Revenue Code.

TABLE 46.—*Selected balance sheet items, class I local motor carriers of passengers, 1955–64*

Year ended Dec. 31—	Current assets	Net investment in transportation property	All other assets	Current liabilities [1]	Long-term debt	All other liabilities	Shareholders' and proprietors' equity
1955	$18,011,400	$48,771,622	$20,326,412	$12,588,081	$10,909,352	−$3,520,308	$67,132,309
1956	18,415,121	48,056,467	17,399,281	10,421,272	10,709,988	−3,927,947	66,667,556
1957	18,335,251	46,609,640	17,747,718	10,299,810	12,045,612	−5,090,686	65,437,873
1958	18,482,452	49,818,663	16,948,691	13,494,522	10,396,941	−4,178,509	65,536,852
1959	22,709,932	45,380,264	15,304,242	13,663,072	8,852,668	−3,300,198	64,178,896
1960	17,892,330	51,841,223	15,777,837	14,218,411	9,492,037	14,742,403	47,058,539
1961	17,006,278	55,804,947	14,453,806	14,567,901	10,074,862	15,303,418	47,318,850
1962	9,464,111	24,099,548	11,168,896	11,217,506	9,420,909	5,983,434	18,110,706
1963	9,977,900	22,864,576	11,292,871	10,891,681	8,711,194	12,015,955	12,516,517
1964	11,073,358	27,317,282	11,393,756	12,395,216	10,927,561	13,325,388	13,136,231

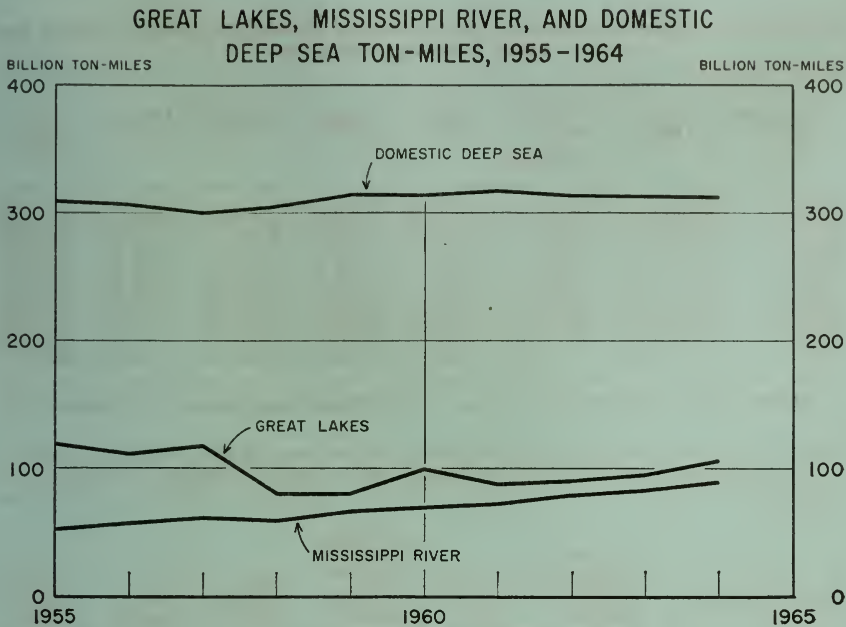
[1] Includes long-term debt due within 1 year in 1958–64. This item included in long-term debt in prior years.

TABLE 47.—*Net carrier operating income, net income, and rate of return, class I local motor carriers of passengers, 1955–64*

Year ended Dec. 31—	Net investment in transportation property plus working capital	Net carrier operating income	Ratio of net carrier operating income to net investment in transportation property plus working capital	Shareholders' and proprietors' equity	Net income	Ratio of net income to shareholders' and proprietors' equity
			Percent			*Percent*
1955	$54,194,941	$1,560,710	2.88	$67,132,309	$375,139	0.56
1956	56,050,316	3,968,999	7.08	66,667,556	2,788,013	4.18
1957	54,645,081	3,481,630	6.37	65,437,873	2,412,586	3.69
1958	54,806,593	1,358,825	2.48	65,536,852	432,394	0.66
1959	54,427,124	3,775,454	6.94	64,178,896	3,396,226	5.29
1960	55,515,142	4,280,357	7.71	47,058,539	2,735,455	5.81
1961	58,243,324	3,467,982	5.95	47,318,850	2,547,255	5.38
1962	22,346,153	2,156,790	9.65	18,110,706	1,939,860	10.71
1963	21,950,795	2,222,384	10.12	12,516,517	1,986,392	15.87
1964	25,995,424	3,847,587	14.80	13,136,231	3,474,069	26.45

TABLE 48.—*Revenues of classes A and B carriers by inland and coastal waterways, 1955–65*

Year ended Dec. 31—	Number of companies represented	Line-service operating revenues			Other operating revenue	Revenue from terminal operations	Total waterline operating revenues
		Freight	Passenger	Total			
1955	120	$181,673,395	$9,150,208	$199,447,439	$2,672,175	$16,669,937	$226,195,564
1956	113	188,170,991	8,961,475	206,418,028	1,596,697	17,997,311	235,161,254
1957	118	203,559,142	9,943,322	222,253,525	2,075,599	18,843,749	254,019,985
1958	107	184,832,196	8,672,126	205,449,175	1,960,643	17,282,964	233,445,592
1959	108	191,652,002	8,456,973	212,858,861	2,282,190	17,997,014	246,514,300
1960	105	195,225,405	8,277,704	219,378,402	2,586,707	19,624,116	255,416,319
1961	99	184,375,902	7,970,797	208,105,642	3,135,328	20,167,666	246,196,307
1962	95	185,205,743	9,170,957	212,660,189	3,115,221	20,834,015	252,455,942
1963	93	193,682,005	7,372,856	216,502,107	2,867,611	20,755,364	258,054,537
1964	89	185,618,591	7,738,197	211,205,882	3,035,749	21,469,871	257,857,482
January–June 1964	88	120,026,658	2,206,463	----	----	----	----
January–June 1965	88	116,175,190	2,237,774	----	----	----	----



Source: Office of Engineers, Maritime Administration, and Interstate Commerce Commission.

TABLE 49.—*Expenses and income of classes A and B carriers by inland and coastal waterways, 1955–64*

Year ended Dec. 31—	Operating expenses	Operating ratio	Net revenue from waterline operations	Income taxes	Net income	Employees: Average number	Employees: Compensation
		Percent					
1955	$198,157,020	87.60	$28,038,544	$9,639,021	$18,153,713	15,425	$69,151,862
1956	207,275,649	88.14	27,885,605	8,394,479	18,389,251	15,366	72,155,412
1957	225,084,113	88.61	28,935,872	10,827,508	16,222,252	15,485	78,164,009
1958	212,418,242	90.99	21,027,350	7,961,762	11,966,600	14,368	72,580,235
1959	226,898,441	92.04	19,615,859	7,892,756	10,755,324	13,958	72,995,080
1960	234,304,390	91.73	21,111,929	9,550,154	11,968,394	14,338	77,771,929
1961	222,601,254	90.42	23,595,053	11,587,229	12,846,285	12,860	72,909,044
1962	226,402,507	89.68	26,053,435	9,748,329	15,688,197	12,163	71,634,975
1963	225,780,055	87.49	32,274,482	11,422,759	20,180,561	11,265	71,491,836
1964	222,842,636	86.42	35,014,846	12,941,993	30,029,716	10,222	67,799,956

TABLE 50.—*Selected balance sheet items, classes A and B carriers by inland and coastal waterways, 1955–64*

Year ended Dec. 31—	Current assets	Net investment in transportation property	All other assets	Current liabilities [1]	Long-term debt	All other liabilities	Shareholders' equity
1955	$66,969,807	$154,532,629	$32,812,996	$42,486,399	$66,352,060	$5,031,256	$140,445,717
1956	71,012,828	161,385,589	34,267,129	41,842,107	67,604,671	4,919,081	152,299,687
1957	84,405,472	173,517,419	49,092,538	47,589,541	67,093,130	5,531,691	186,801,067
1958	84,706,180	175,998,579	50,663,198	47,641,791	65,144,155	5,929,486	192,652,525
1959	90,507,405	186,289,975	55,310,916	47,855,308	75,915,392	8,482,941	199,854,655
1960	96,119,655	203,918,068	53,451,529	52,959,936	83,615,383	8,093,010	208,820,923
1961	102,061,163	195,013,199	56,107,647	53,316,056	83,929,704	6,728,415	209,207,834
1962	88,615,503	201,916,158	53,182,963	45,559,129	85,704,380	7,290,333	205,160,782
1963	99,158,022	204,517,145	53,568,557	58,297,805	79,895,757	5,868,768	213,181,394
1964	100,767,655	217,991,688	57,856,109	57,131,504	88,692,275	6,762,503	224,029,170

[1] Includes long-term debt due within 1 year. Prior to 1963, this item was included in long-term debt

TABLE 51.—*Net revenue from waterline operations, net income, and rate of return, classes A and B carriers by inland and coastal waterways, 1955–64*

Year ended Dec. 31—	Net investment in transportation property plus working capital	Net revenue from waterline operations	Ratio of net revenue from waterline operations to net investment in transportation property plus working capital	Shareholders' equity	Net income	Ratio of net income to shareholders' equity
			Percent			Percent
1955	$179,016,037	$28,038,544	15.66	$140,445,717	$18,153,713	12.93
1956	190,556,310	27,885,605	14.63	152,299,687	18,389,251	12.07
1957	210,333,350	28,935,872	13.76	186,801,067	16,222,252	8.68
1958	213,062,968	21,027,350	9.87	192,652,525	11,966,600	6.21
1959	228,942,072	19,615,859	8.57	199,854,655	10,755,324	5.38
1960	247,077,787	21,111,929	8.54	208,820,923	11,968,394	5.73
1961	243,758,306	23,595,053	9.68	209,207,834	12,846,285	6.14
1962	244,972,532	26,053,435	10.64	205,160,782	15,688,197	7.65
1963 [1]	245,377,362	32,274,482	13.15	213,181,394	20,180,561	9.47
1964 [1]	261,627,839	35,014,846	13.38	224,029,170	30,029,716	13.40

[1] Long-term debt due within 1 year included in current liabilities in 1963 and 1964. See footnote 1 to table 50.

TABLE 52.—*Revenues and expenses of maritime carriers, 1955–64*

Year ended Dec. 31—	Number of companies represented	Operating revenues				Waterline tax accruals	Total waterline operating expenses	Operating ratio
		Coastwise and intercoastal service	Charter	Total vessel operating	Total waterline operating			
								Percent
1955	32	$134,618,901	$16,029,423	$456,962,588	$509,575,698	$676,651	$474,050,978	93.03
1956	32	140,687,034	17,550,978	497,000,308	555,721,581	853,484	514,656,059	92.61
1957	30	149,310,628	20,555,175	561,474,101	621,372,297	850,386	585,734,623	94.26
1958	27	135,442,193	17,224,253	472,085,083	534,503,596	754,551	518,254,986	96.96
1959	26	134,127,926	17,331,267	462,377,363	530,553,819	734,462	512,637,222	96.62
1960	27	135,159,959	16,978,720	460,567,342	524,413,273	707,852	515,302,869	98.26
1961	26	107,302,361	22,584,541	439,294,532	504,679,917	689,901	494,395,776	97.96
1962	23	102,409,701	24,183,445	532,535,273	628,498,423	813,228	593,773,641	94.47
1963	21	102,346,182	20,430,141	547,732,284	652,657,076	1,171,818	627,419,122	96.13
1964	21	106,193,835	17,844,491	595,304,904	704,840,170	1,251,287	667,165,648	94.65

TABLE 53.—*Taxes, income, and employment of maritime carriers, 1955–64*

Year ended Dec. 31—	Provision for income taxes	Net income	Employees	
			Average number	Compensation
1955	$15,495,847	$27,161,544	16,315	$128,056,919
1956	15,064,204	31,549,736	17,108	127,913,587
1957	16,753,890	21,849,876	17,671	137,420,037
1958	7,544,461	9,990,093	15,688	133,674,681
1959	11,332,969	15,512,045	16,999	134,666,348
1960	8,443,601	4,581,479	16,256	123,669,282
1961	7,334,081	6,613,211	18,668	131,418,957
1962	11,131,684	21,203,789	16,333	138,020,796
1963	3,584,834	18,260,328	15,853	146,422,465
1964	10,339,093	26,827,910	15,561	160,546,494

TABLE 54.—*Selected balance sheet items of maritime carriers, 1955–64*

Year ended Dec. 31—	Current assets	Net investment in transportation property [1]	All other assets	Current liabilities [2]	Long-term debt	All other liabilities	Shareholders' equity
1955	$157,070,916	$202,269,236	$143,974,466	$83,898,219	$87,728,169	$91,220,585	$240,467,645
1956	180,320,267	231,268,246	187,271,391	98,441,000	120,492,314	109,179,305	270,747,285
1957	180,172,020	232,131,857	189,605,790	91,214,103	117,677,662	103,542,927	289,474,975
1958	143,476,378	214,541,539	186,055,677	74,254,443	98,319,280	99,162,657	272,337,214
1959	146,694,160	210,587,523	153,943,545	79,146,733	110,545,692	41,115,434	280,417,369
1960	145,183,214	207,778,356	153,664,594	91,707,725	103,004,933	48,913,152	263,000,354
1961	138,761,782	210,628,507	155,810,914	95,297,788	87,492,897	51,056,842	271,353,676
1962	166,800,405	333,114,771	154,154,494	115,889,605	136,894,053	61,235,814	340,050,198
1963	160,754,239	340,825,009	179,643,955	103,908,898	160,688,377	63,917,717	352,708,211
1964	170,984,369	340,998,934	178,594,762	109,272,420	146,812,027	62,329,892	372,163,726

[1] Excludes spare parts, included in "all other assets."
[2] Includes long-term debt due within 1 year.

TABLE 55.—*Gross profit from shipping operations, net income, and rate of return of maritime carriers, 1955–64*

Year ended Dec. 31—	Net investment in transportation property plus working capital	Gross profit from shipping operations	Ratio of gross profit from shipping operations to net investment in transportation property plus working capital	Shareholders' equity	Net income	Ratio of net income to shareholders' equity
			Percent			*Percent*
1955	$275,441,933	$35,524,720	12.90	$240,467,645	$27,161,544	11.30
1956	313,147,513	41,065,522	13.11	270,747,285	31,549,736	11.65
1957	321,089,774	35,637,674	11.10	289,474,975	21,849,876	7.55
1958	283,763,474	16,248,610	5.73	272,337,214	9,990,093	3.67
1959	278,134,950	17,916,597	6.44	280,417,369	15,512,045	5.53
1960	261,253,845	9,110,404	3.49	263,000,354	4,581,479	1.74
1961	254,092,501	10,284,141	4.05	271,353,676	6,613,211	2.44
1962	384,025,571	34,724,782	9.04	340,050,198	21,203,789	6.24
1963	397,670,350	25,237,954	6.35	352,708,211	18,260,328	5.18
1964	402,710,883	37,674,522	9.36	372,163,726	26,827,910	7.21

TABLE 56.—*Transportation revenues and transportation purchased, class A freight forwarders, 1955–64*

Year ended Dec. 31—	Number of forwarders represented	Transportation revenues	Transportation purchased					
			Railroad	Motor	Water	Pickup, delivery, and transfer	Other	Total
1955	56	$401,260,967	$205,245,054	$47,833,244	$2,226,659	$46,535,290	$794,506	$302,634,753
1956	60	417,264,885	210,306,055	49,993,789	1,702,379	49,561,710	917,395	312,481,328
1957	61	422,495,947	211,000,064	50,687,606	1,758,698	50,129,886	1,255,879	314,832,133
1958	57	412,903,174	203,064,163	50,032,429	1,319,535	49,131,227	1,416,549	304,963,903
1959	59	443,273,340	201,720,551	57,327,882	1,049,590	56,612,676	1,433,429	318,144,128
1960	64	437,016,256	188,351,121	58,926,065	2,028,774	58,691,003	1,737,444	309,734,407
1961	64	442,767,684	179,144,943	60,927,786	1,642,555	60,898,444	1,813,998	304,427,726
1962	64	464,582,799	179,654,289	68,722,351	1,446,230	66,559,585	2,066,120	318,448,575
1963	60	469,647,263	167,411,216	75,752,000	7,634,500	67,339,978	2,268,089	320,405,783
1964	60	487,013,405	163,604,460	85,831,496	8,619,202	71,818,476	3,454,600	333,328,234

TABLE 57.—*Operating revenues, expenses, income, taxes, net income, and employment of class A freight forwarders, 1955–65*

Year ended Dec. 31—	Operating revenues	Operating expenses	Operating ratio	Revenue from forwarder operations	Income taxes	Net income	Employees	
							Average number	Compensation
			Percent					
1955	$101,332,062	$93,940,289	92.71	$7,391,773	$2,642,004	$4,342,669	11,673	$48,366,106
1956	108,152,294	100,975,725	93.36	7,176,569	3,224,402	3,533,548	12,084	52,798,167
1957	111,803,662	104,393,038	93.37	7,410,624	3,008,664	3,997,520	11,696	54,917,271
1958	112,254,137	104,836,918	93.39	7,417,219	2,859,452	4,166,892	10,523	52,757,019
1959	129,689,016	122,477,876	94.44	7,211,140	3,159,029	3,903,103	10,881	56,594,835
1960	131,719,307	126,403,920	95.96	5,315,387	2,802,458	2,796,554	10,914	57,640,390
1961	143,051,861	131,926,129	92.22	11,125,732	4,388,080	6,080,013	10,749	57,561,106
1962	150,383,782	136,839,432	90.99	13,544,350	5,886,134	6,770,774	10,504	59,326,489
1963	152,229,176	139,043,972	91.34	13,185,204	5,617,260	7,281,857	10,076	59,542,205
1964	156,205,604	145,506,411	93.15	10,699,193	4,766,231	5,122,455	9,530	59,284,093
January–June 1964	66,182,432	61,722,210	93.26	4,460,222	2,613,311	1,482,487		
January–June 1965	71,473,612	63,633,122	89.03	7,840,490	3,459,799	4,037,202		

TABLE 58.—*Selected balance sheet items of class A freight forwarders, 1955–64*

Year ended Dec. 31—	Current assets	Net investment in transportation property	All other assets	Current liabilities [1]	Long-term debt [1]	All other liabilities	Shareholders' equity
1955	$46,777,725	$2,923,003	$4,694,705	$32,904,118	$411,308	$1,595,618	$19,484,389
1956	48,143,484	3,144,647	4,776,059	34,745,296	987,688	1,583,865	18,747,341
1957	45,342,102	3,722,263	4,706,669	32,955,357	1,353,382	1,281,053	18,181,242
1958	50,455,242	3,902,077	4,990,066	36,551,702	1,637,587	1,673,395	19,484,701
1959	53,310,600	4,387,372	6,501,858	40,275,011	1,985,099	1,953,682	19,986,038
1960	56,276,913	5,225,365	7,002,604	44,209,977	2,796,651	2,177,235	19,321,019
1961	58,513,319	6,249,057	7,262,651	45,335,222	4,469,797	2,451,245	19,768,763
1962	60,796,062	6,261,293	8,547,798	46,672,883	4,058,198	2,863,523	22,010,549
1963	60,072,902	6,837,511	9,369,525	45,781,751	3,830,134	2,958,946	23,709,107
1964	59,670,474	6,111,882	9,443,165	46,164,556	5,243,997	4,007,461	19,809,507

[1] Current liabilities include "Long-term debt due within one year" for which provision has been made for current settlement. If no provision has been made for current settlement, matured long-term debt is included in "Long-term debt."

TABLE 59.—*Revenue, less taxes, from forwarder operations, net income, and rate of return of class A freight forwarders, 1955–64*

Year ended Dec. 31—	Net investment in transportation property plus working capital	Revenue, less transportation taxes, from forwarder operations	Ratio of revenue, less transportation taxes from forwarder operations to net investment in transportation property plus working capital	Shareholders' equity	Net income	Ratio of net income to shareholders' equity
			Percent			*Percent*
1955	$16, 796, 610	$7, 192, 770	42. 82	$19, 484, 389	$4, 342, 669	22. 29
1956	16, 542, 835	6, 990, 507	42. 26	18, 747, 341	3, 533, 548	18. 85
1957	16, 109, 008	7, 156, 575	44. 43	18, 181, 242	3, 997, 520	21. 99
1958	17, 805, 617	7, 173, 356	40. 29	19, 484, 701	4, 166, 892	21. 39
1959	17, 422, 961	6, 991, 641	40. 13	19, 986, 038	3, 903, 103	19. 53
1960	17, 292, 301	5, 049, 494	29. 20	19, 321, 019	2, 796, 554	14. 47
1961	19, 427, 154	10, 832, 782	55. 76	19, 768, 763	6, 080, 013	30. 76
1962	20, 384, 472	13, 235, 199	64. 93	22, 010, 549	6, 770, 774	30. 76
1963	21, 128, 662	12, 749, 844	60. 34	23, 709, 107	7, 281, 857	30. 71
1964	19, 617, 800	10, 262, 632	52. 31	19, 809, 507	5, 122, 455	25. 86

TABLE 60.—*Revenues, expenses, net income, and employment of oil pipeline companies, 1955–64*

Year ended Dec. 31—	Number of companies represented	Operating revenues	Operating expenses	Operating ratio	Taxes		Net income	Employees [2]	
					U.S. Government [1]	Other than U.S. Government		Average number	Compensation
				Percent					
1955	74	$616, 153, 510	$310, 601, 973	50. 41	$118, 619, 433	$24, 293, 300	$136, 608, 177	24, 974	$141, 960, 298
1956	73	667, 072, 860	329, 806, 576	49. 44	137, 118, 458	26, 408, 971	148, 207, 900	24, 584	150, 341, 687
1957	74	704, 215, 992	371, 269, 224	52. 72	125, 026, 586	29, 995, 539	154, 844, 412	24, 313	156, 072, 836
1958	76	698, 394, 671	373, 757, 576	53. 52	103, 324, 330	32, 843, 575	161, 714, 400	23, 290	152, 605, 046
1959	78	735, 678, 934	383, 431, 867	52. 12	107, 721, 036	35, 271, 783	183, 345, 650	22, 152	152, 811, 552
1960	82	756, 330, 661	405, 465, 693	53. 61	114, 753, 937	37, 490, 373	171, 683, 299	21, 321	150, 577, 190
1961	84	770, 066, 992	407, 107, 830	52, 87	110, 717, 562	39, 647, 062	181, 352, 272	20, 295	150, 715, 010
1962	87	789, 492, 543	412, 831, 049	52. 29	114, 541, 058	40, 635, 975	201, 319, 617	19, 197	145, 108, 799
1963	89	814, 766, 331	423, 599, 388	51. 99	123, 904, 364	42, 966, 747	196, 131, 410	18, 157	144, 284, 582
1964	85	840, 802, 653	485, 413, 141	57. 73	115, 417, 074	46, 106, 858	206, 458, 978	17, 676	142, 830, 552

[1] Includes Federal income taxes, which prior to 1964 were not separable in published statistics from other U.S. Government taxes. In 1964, Federal income taxes were $113, 210, 848.
[2] Includes employees of pipeline departments of 5 large oil companies.

TABLE 61.—*Selected balance sheet items of oil pipeline companies, 1955–64*

Year ended Dec. 31—	Current assets	Net investment in transportation property	All other assets	Current liabilities [1]	Long-term debt	All other liabilities
1955	$308, 739, 751	$1, 550, 029, 364	$80, 431, 706	$158, 057, 287	$1, 002, 113, 079	$8, 652, 254
1956	324, 444, 106	1, 604, 007, 736	82, 826, 850	174, 366, 960	1, 013, 037, 794	9, 774, 918
1957	358, 759, 293	1, 736, 204, 198	81, 532, 799	156, 704, 774	1, 057, 952, 490	10, 088, 139
1958	339, 703, 074	1, 779, 887, 309	95, 709, 281	149, 201, 102	1, 059, 883, 242	14, 401, 322
1959	373, 129, 013	1, 814, 108, 528	147, 695, 606	169, 454, 184	1, 110, 415, 920	14, 714, 620
1960	387, 046, 787	1, 860, 243, 928	142, 457, 259	185, 111, 060	1, 094, 386, 953	17, 538, 442
1961	427, 490, 652	1, 868, 939, 140	113, 629, 133	188, 185, 470	1, 088, 763, 967	18, 431, 994
1962	426, 671, 586	1, 886, 150, 137	103, 632, 076	182, 068, 188	1, 071, 176, 822	17, 306, 994
1963	527, 320, 974	2, 190, 852, 087	120, 180, 014	250, 328, 121	1, 334, 779, 141	24, 063, 385
1964	521, 942, 060	2, 201, 404, 228	105, 680, 134	289, 476, 335	1, 239, 712, 221	6, 880, 977

[1] Includes long-term debt due within 1 year in 1964. Prior to 1964, this item was included in long-term debt.

TABLE 62.—*Net revenue from operations, net income, and rate of return of oil pipeline companies, 1955–64*

Year ended Dec. 31—	Net investment in transportation property plus working capital	Net revenue from operations	Ratio of net revenue from operations to net investment in transportation property plus working capital	Shareholders' equity	Net income	Ratio of net income to shareholders' equity
			Percent			*Percent*
1955	$1,700,711,828	$305,551,537	17.97	$770,378,201	$136,608,177	17.73
1956	1,754,084,882	337,266,284	19.23	814,099,020	148,207,900	18.21
1957	1,938,258,717	332,946,768	17.18	951,750,887	154,844,412	16.27
1958	1,970,389,281	324,637,095	16.48	991,813,998	161,714,400	16.30
1959	2,017,783,357	352,247,067	17.46	1,040,348,423	183,345,650	17.62
1960	2,062,179,655	350,864,968	17.01	1,092,711,519	171,683,299	15.71
1961	2,108,244,322	362,959,162	17.22	1,114,677,494	181,352,272	16.27
1962	2,130,753,535	376,661,494	17.68	1,145,901.795	201,319,617	17.57
1963	2,467,844,940	391,166,943	15.85	1,229,182,428	196,131,410	15.96
1964	2,433,869,953	355,389,512	14.60	1,292,956,889	206,458,978	15.97

INDEX

For matters pertaining to one of the following modes look under the names of the particular modes: Air Carriers; Freight Forwarders; Motor Carriers; Pipelines; Private Carriers; Water Carriers. For general matters, look in the main alphabet.

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